



ข้อมูลทางการเงินโดยสรุปในรอบปี 2556-2558

Summary Of Financial Highlights For 2013-2015

รายการ • Description		2556 • 2013	2557 • 2014	2558 • 2015
ผลการดำเนินงาน Earnings Performance	(ล้านบาท) • (Million Baht) รายได้จากการขายและบริหาร Revenue From Sales And Service	672.39	683.96	599.87
	รายได้รวม Total Revenue	690.77	703.55	607.34
	กำไรสุทธิ Net Profit	78.52	29.36	(50.89)
งบแสดงฐานะการเงิน Balance Sheet	(ล้านบาท) • (Million Baht) สินทรัพย์รวม Total Assets	1,352.90	1,496.72	1,420.66
	หนี้สินรวม Total Liabilities	100.67	181.26	190.27
	ส่วนของผู้ถือหุ้น Shareholders' Equity	1,252.22	1,315.46	1,230.39
หุ้นหรือข้อมูล เกี่ยวกับหุ้นสามัญ Shares or details about ordinary shares	(ล้านหุ้น) • (million Shares) จำนวนหุ้นสามัญที่ออกและชำระเต็มมูลค่า Issued and paid-up ordinary shares	469.24	531.63	531.63
	มูลค่าตามบัญชีต่อหุ้น (บาท) Book Value Per Share (Baht)	2.67	2.47	2.31
	กำไรต่อหุ้นขั้นพื้นฐาน (บาท) Earnings Per Shares (Baht)	0.20	0.06	(0.09)
	เงินปันผลจ่ายต่อหุ้น (บาท) Dividend Per Share (Baht)	0.10	0.055	N/A
อัตราส่วนทางการเงิน Financial Ratios	อัตรากำไรสุทธิ Net Profit Margin (%)	11.37	4.17	-8.38
	อัตราผลตอบแทนผู้ถือหุ้น Return on Equity (%)	9.06	2.29	-4.00
	อัตราผลตอบแทนจากสินทรัพย์ Return on Assets (%)	8.12	2.06	-3.49
	อัตราส่วนหนี้สินต่อส่วนของผู้ถือหุ้น (เท่า) Debt to Equity Ratio (time)	0.08	0.14	0.15
	อัตราส่วนความสามารถชำระดอกเบี้ย (เท่า) Interest Coverage Ratio (time)	377.94	28.40	4.31

ผู้ลงทุนสามารถศึกษาข้อมูลของบริษัทที่ออกหลักทรัพย์เพิ่มเติมได้จากแบบแสดงรายการข้อมูลประจำปี (แบบ 56-1) ของบริษัทที่แสดงไว้ใน www.sec.or.th หรือ www.matchinggroup.com

Investors can find additional securities issuer information in the Company's form 56-1 disclosed at www.sec.or.th or the Company's website at www.matchinggroup.com

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Vision

To become a business leader providing entertainment-related services as well as supporting production in the entertainment industry at international level

Mission

To maintain standard and professional development in the rental equipment services for film and commercial production industry, alongside the development of an international standard studio to serve demand both from local and international clients

Message from the Board

Dear Shareholders of Matching Maximize Solution Plc.

In 2015 the economic growth retreated to 2.3 percent and the advertising industry expanded only slightly by 3.34 percent to Baht 122,318 million. The competition in 2015 was very intense both in terms of sales and prices of products and services from all industries. The Company and its subsidiaries were also impacted as the sales from core businesses declined to Baht 599.87 million, representing a drop of 12.29 percent on a year-on-year basis. The Company reported a net loss of Baht 50.24 million, reflecting an earnings deterioration of 270.50 percent caused by lower sales on the back of intense competition in the digital TV industry and slowdown in the printing media industry.

Despite the current economic slowdown, the Company foresees growth potential alongside favorable stimulus measures announced by the government who has a policy to promote Thailand as an attractive location for international film production crew. A number of fringe benefits will be offered to film producers, based on agreed terms and conditions. Having seen brought outlook, the Company decided to expand its business from its existing core businesses in the entertainment and media sector for which the Company had extensive expertise and experience. In late 2015, the Company began to develop the studio rental project located in a plot of land in Bang Bo District, Samutprakan Province, acquired in late 2014. Consisting of an international-standard rental studio, a warehouse and an office building, the Studio rental project will serve demand from both local and international producers of feature films and TV commercials as well as producers of TV programs and dramas where competition is very intense, especially in the digital TV business. Furthermore, the project will also serve clients who look for event organizing facilities: marketing events, e.g., project launches, or concerts can be organized in the project where integrated services and facilities are provided. On top of that, rental equipment and post-production services are also made available in the project. All-in-all, the Company's studio rental project will offer one-stop serviced to all groups of clients. Not only will the Company offer international standard equipment and setting for production crew, the Company will also be committed to enhancement of personnel's expertise and knowledge to ensure professional services in the business. Therefore, the investment in the new project is believed to open up significant business opportunities for the Company and the Company is committed to driving business growth and steady revenue growth in sustainable ways.

To achieve business goals, the Company not only requires good operating performance of the Company and its subsidiaries but also support and trust from all concerned. On behalf of the Board of Directors, I would like to express my deep gratitude to all stakeholders, clients, shareholders, employees, investors, financial institutions, suppliers and all sponsors for their continued support.

Yours faithfully



(Mr. Somrit Srithongdee)

Chairman of the Board of director

Audit Committee Report for 2015

Dear Shareholders of Matching Maximize Solution Public Company Limited,

The Audit Committee of Matching Maximize Solution Public Company Limited, appointed by the Company's Board of Directors, consists of three independent directors. The scope of responsibilities of Audit Committee, based on the charter of the Audit Committee, is in compliance with the rule and regulation of the Securities and Exchange Commission of Thailand.

During the year 2015, the Audit Committee convened a total of six meetings, where the authorized auditor, the Company's management and the internal auditor attended. One, out of the six meetings, was the meeting of only the Audit Committee and the authorized auditor, without the presence of the Company's management. The following key issues were reviewed:

1. Good Corporate Governance

The Audit Committee reviewed and examined whether Company's business operation was in compliance with good corporate governance principles by meeting with the Company's management and the internal auditor. The meetings provided the guidelines of good corporate governance principles as well as creating the same understanding among the directors, the management and the employees so that they followed the set policies. The Company reviewed the good corporate governance principles and the code of conduct at least once annually in order to ensure that the Company's corporate governance policies were appropriate and adequate in accordance with the current circumstances.

2. Review of Financial Information

The Audit Committee reviewed the interim financial information and annual financial information of the Company and its subsidiaries to ensure that such financial information was completed in compliance with the accounting standard. The results of the review/audit of the financial information were appropriately and adequately disclosed in the meetings participated by the management, the internal auditor, and the authorized auditor. In the meetings the Audit Committee also raised some observed matters as well as suggestions based on the review/audit and reported the auditing plans and guideline and the independence of the authorized auditor. After the Audit Committee reviewed the audit report, it was then presented to the Company's directors for approval or proposal for the shareholders' approval as the case may be.

3. Internal control and internal audit

The Audit Committee reviewed the work of the Company's internal control and internal audit affairs in order to evaluate the efficiency and effectiveness of the internal audit department. The Audit Committee examined the independence, the audit work plans, budgets, human resource development of the internal audit department. The Committee reported the audit results as well as the results of the follow-up observation on the progress on improvement of the internal audit system, based on the audit review. The Company's management was invited to provide information about the adequateness of the Company's internal controls and the improvement based on the audit review. The Audit Committee made comments and provided additional suggestion for the Company to improve its internal control system

in order to prevent operational risks and ensure that the mechanism of the Company's internal control and audit systems were appropriate and sufficient under the current circumstance and nature of business.

4. To comply with relevant laws and policies set forth by the Board of Directors

The Audit Committee examined whether the Company followed relevant laws as well as policies set forth by the Board of Directors through the internal audit process of the Company's internal auditors and the authorized auditor. The Audit Committee arranged meetings with the Company's management, the authorized auditor and the internal auditors to ensure that all involved parties were aware of the relevant laws and the policies set by the Company's Board of Directors. Finally, the Audit Committee also provided additional suggestions for the Company to enhance the efficiency and effectiveness in terms of corporate governance, thus leading to continued business development.

5. Review of connected transactions that may have caused conflicts of interests

The Audit Committee reviewed connected transactions that may have caused conflicts of interests; the review was done by the internal auditors and the authorized auditor. The Audit Committee arranged meetings with the management in order to ensure that the connected transactions were justified and that the Company employed appropriate and adequate measures to prevent possible conflicts of interests.

6. Selection and appointment of the authorized auditor and consideration of the remuneration for the authorized auditor

The Audit Committee considered selecting and appointing an authorized auditor and determining remuneration, taking into account the independence, qualifications and experience of the appointed authorized auditor. In addition, the Audit Committee, together with the management, also appraised the performance of the authorized auditor in the previous fiscal. The Audit Committee suggested that the Board of Directors propose to the shareholders' meeting to appoint PricewaterhouseCoopers ABAS Ltd. as the Company's authorized auditor for the fiscal year of 2016.

7. Report of the performance results of the Audit Committee to the Board of Director

The Audit Committee reported its performances based on the scope of responsibilities to the Board of Directors at least once quarterly. In addition, the Audit Committee also made additional suggestions and expressed opinions that would benefit for the Company's management and administration as a mechanism in order to boost confidence among shareholders, investors, stakeholders of the Company.

The Audit Committee performed duties independently under the scope of its responsibilities and continued, the Audit Committee opined that Matching Maximize Solution Plc. and its subsidiaries had effective internal control system, which was adequate and appropriate to the Company's business operation. The Committee did not find any mistakes or problems with the Company's internal control system that would have significant impacts on the accuracy and reliability of the Company's financial reports. Also, the authorized auditor and internal auditors were found to have worked independently. Finally, the Company's corporate governance and internal control system were found sufficient and appropriate under the current circumstances.



(Mr. Akarat Na Ranong)

Chairman of the Audit Committee



Overview of Business operation

1. Policies and Business Overview

Matching Maximize Solution Public Company Limited (formerly known as Matching Studio Public Company Limited) was founded in 1992, with the initial registered capital of Baht 1 million by Mr. Somchai Cheewasutthanon and Mr. Thanisaphong Sasinmanop. In 2004, BBTV production Company Limited became a shareholder. During its first stage, the Company provided TV commercials production service and subsequently expanded its businesses to include TV program production, equipment rental services, event organizing, printing business and post production. In 2015, the Company also added studio rental business to its business portfolio.

The Company's Vision and Mission:

Vision	Mission
To become a business leader providing entertainment-related services as well as supporting production in the entertainment industry at international level	To maintain standard and professional development in the rental equipment services for film and commercial production industry, alongside the development of an international standard studio to serve demand both from local and international clients

Major change changes and development

Year	Major Development
1992	The Company was established with the registered capital of Baht 1 million, i.e., 10,000 shares at a par value of Baht 100 per share.
2003	The Company was listed in the Alternative Investment (MAI), with the registered capital of Baht 120 million, i.e., 24,000,000 shares at a par value of Baht 5 per share. The Company subsequently issued 6,000,000 ordinary shares for public offering and expanded its business to cover wide varieties of entertainment and recreation services. Later, the BOD approved of the warrant issuance (MATCH-W1) amounting to 108,000,000 units, for a duration of five years, for existing shareholders.
2004	<p>The Company increased capital, changed the shareholder structure, moved from the secondary market and expanded to TV program production business.</p> <ul style="list-style-type: none"> Issued and offered capital increase shares to BBTV Production Company limited (BBTV Production) in order to support the Company's expansion of TV program business, enhance business operation within the group and increase the market share.

2004

- Moved from trading in MAI to the Stock Exchange of Thailand (SET) under the media and printing sector.

2009

Increased capital and changes major shareholders

- Issued and offered the second warrants ("MATCH-W2") of 103,431,863 units, with the warrant duration of five years, for existing shareholders.
- Three major shareholders agreed to sell common shares and MATCH-W2 to BBTV Production Co., Ltd. As a result, BBTV Production became the major shareholder, with the stakeholding increasing to 49.65 percent from 27.73 percent previously.

2010

BBTV Productions Co.,Ltd., exercised the right to purchase the second warrants, MATCH-W2, raising its shareholding to 57.94 percent. As a consequence, BBTV Productions Co., Ltd., had to tender the right offering. After the tender offer, BBTV Production's shareholding rose to 68.48 percent.

2012

Increased the registered capital to Baht 535 million by issuing capital increase shares of 271 million shares, with a par value of Baht 1 per share:

- Capital increase shares of 210 million shares for public offering
- Capital increase shares of 7.54 million shares to support the adjusted right exercise of MATCH-W2

2013

Increased the paid-up capital to 469.24 million shares

- Issued and offered 210 million IPO shares at Baht 3.50 per share

2014

Increased the paid-up capital to Baht 531.63 million:

- The holders of MATCH-W2 warrants exercised the right to buy ordinary shares at 57,657,032 units at a ratio of 1 warrant: 1.082 ordinary shares at the exercise price of Baht 1.293, translating into the proceeds of Baht 80.66 million and resulting in the fully paid-up registered ordinary shares of 531,629,851 shares.

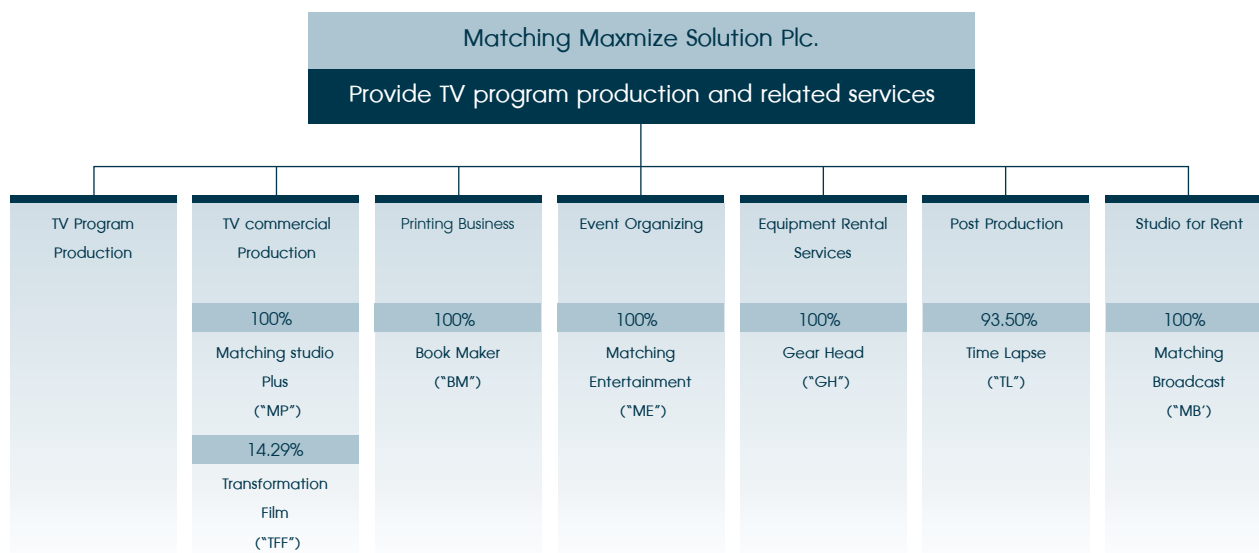
2015

The Extraordinary Shareholder Meeting No. 1/2015 on 29 October 2015 approved the proposed investment of Matching Broadcast Co., Ltd in construction of a one-stop studio rental project whose project location plan and construction material were adjusted in order to improve the quality of project to meet international standard. Matching Broadcast Co, Ltd., already started construction in late 2015. The project is currently involving foundation work and construction work.

2. Shareholding structure

2.1 The Company's group structure

As of 31 December 2015, there were six subsidiaries with the structure classified by types of business type as follows.



Note

- On 10 July 2014, the Company's Board of Directors approved the plan to establish a new subsidiary called "Time Lapse Co Ltd."; the Company invested in 187,000 ordinary shares at a par value of Baht 100, accounting for 93.50 percent.
- On 17 October 2014, the Extraordinary Shareholder Meeting No. 3/2014 of Matching Broadcast Co., Ltd approved the plan to increase registered capital from 100,000 ordinary shares, at a par value of Baht 100 to the registered capital of 7,800,000 shares at a par value of Baht 100, totaling Baht 780,000,000. The proceeds from the capital increase program would be used as funding for the Company's integrated studio rental project.

2.2 Business Operation of the Group

As of 31 December 2015, the Company's Group was engaged in six core businesses, i.e., equipment rental service business, TV production business, Event organizing business, Printing business, Post production business, TV commercial production business, and a joint venture in film production.

1. Equipment rental service

The Company provides rental equipment for filming, shooting, producing TV dramas and producing TV commercials, as well as providing skillful personnel who know how to use such equipment. The rental equipment is delivered to filming sites. Examples for such service in 2015 include the equipment for foreign movies from USA, France and Germany.

2. TV program production business

The Company produces TV programs broadcast in the airtime slots bought from the TV channel. Then, it sells commercial timeslots to advertising agencies or product owners. In addition, the Company also provides TV program production service for the TV channel. As of 31 December 2015, there was one TV program namely "Plod Nee".

3. Event organizing business

The Company acts as an event organizer who plans public relation activities as well as managing events for clients both from the state and private sectors. Being committed to meeting the needs and objectives of the clients, the Company provides integrated services to meet demand from both domestic and international clients. Examples of the services in 2015 include Mega Absolute Denim, Amorn Bicycle's Dealer Conference FY 2015-for checklist, and Beauty Event @ Pattaya.

4. Printing business

The Company produces printing media, magazines, and pocket books, both for sale and free. The Company's magazines, pocket books and printing media are released on a monthly basis and sometimes there are exclusive issues on special occasions. The major targeted readers are teenagers or those working in the fashion industry. As of 31 December 2015, the Company's Group owned two monthly magazines, namely CHEEZE and Looker.

5. Post Production

The Company provides post production services for various kinds of films, all kinds of media as well as relevant businesses.

6. TV commercial production

The Company runs a production house to produce TV commercials promoting products or conveying messages from clients to their targeted customers. In addition, the Company also coordinates with and provides services for foreign crews to facilitate filming or shooting activities set in Thailand. Examples of the Company's production pieces in 2015 include Truck Driver / Beer Lao, Love Sick / Cigna

7. Film Production

The Company formed a joint venture to produce Thai films released on cinemas and sold in various channels. Examples of the films include "Single lady" and "Chalui...Touch the sky".

3. Business Objectives

The Company is currently launching a studio rental project, consisting of a big international rental studio to support all kinds of international filming or shooting activities, a state-of-the-art warehouse and a big new office building. The studio rental project is aimed at strengthening the Company's integrated business and enabling the Company to become a center for various kinds of content production in order to support demand during the digital TV era and also prepare for the ASEAN Economic Communities (AEC).





Type of Business

Revenue Structure

The Company and its subsidiaries' revenue structure classified by types of business in the consolidated financial statements for 2013 - 15 is as follows.

Consolidated financial statement	For					
	2013		2014		2015	
	Mn Bt	%	Mn Bt	%	Mn Bt	%
Core Business						
1. Equipment Rental Services	348.38	50.43	387.99	55.15	377.51	62.16
2. TV program production	181.90	26.33	153.61	21.83	124.95	20.57
3. Event Organizing	37.84	5.48	49.91	7.09	45.49	7.49
4. Printing business	52.20	7.56	40.63	5.77	30.06	4.95
5. Post production	-	-	-	-	9.63	1.59
6. TV commercial production	44.53	6.45	44.37	6.31	6.54	1.08
7. Product sales	7.54	1.09	7.45	1.06	5.69	0.94
Total revenue from core business	672.39	97.34	683.96	97.22	599.87	98.77
Other revenue	18.38	2.66	19.59	2.78	7.47	1.23
Total revenue	690.77	100.00	703.55	100.00	607.34	100.00

In 2015 the Company and its subsidiaries operated six core businesses, i.e., equipment rental business, TV program production business, event organizing business, printing business, post production business, TV commercial production and potential studio rental business.

1 Equipment Rental Services

1.1 Service Details

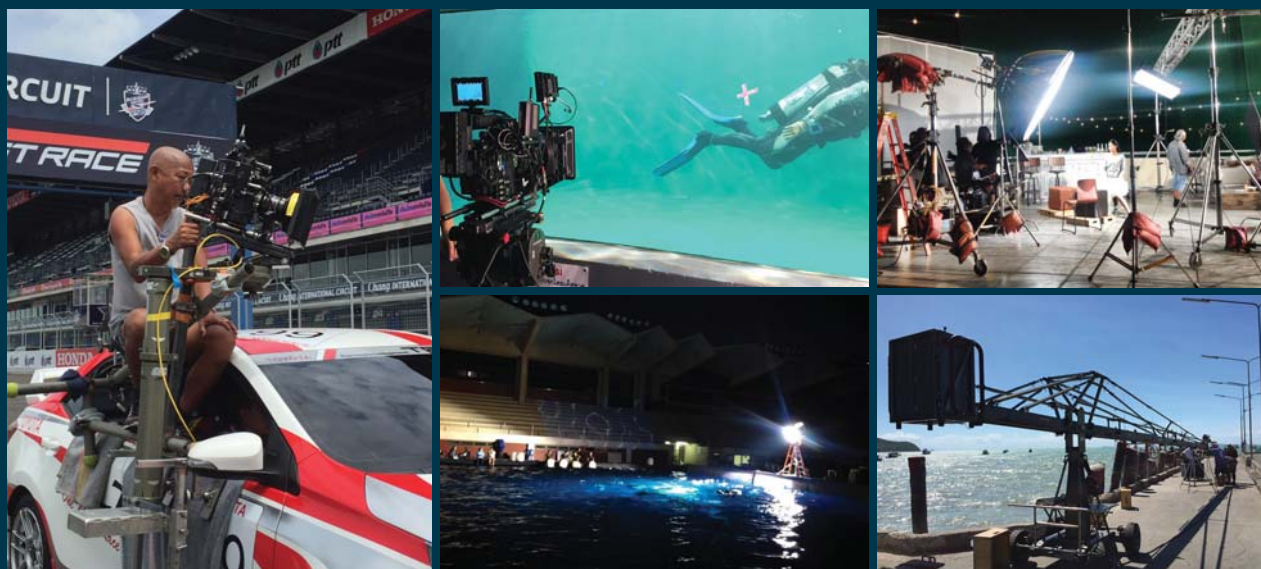
GH offers equipment rental services for shooting movies, serving all groups of clients, including those in the upper market who want high quality and high definition shooting devices. These client groups include film producers, documentary producers, commercial producers both in Thailand and overseas, and music video producers. The services for the upper market are provided by "Gear Head". In addition, the Company also serves demand from mid -to- low markets, including drama producers and TV program producers. The service in this segment is offered under the brand "Handy Gear".

Major rental equipment items

Items	Examples
Digital cameras	Cameras and lens Arri Alexa Xt, Red Canon, Master prime, Angenieux, Cooke, Carl Zeiss, Hawk and Drone
Lighting equipment	Tungsten, Daylight, LED, and Super Silent Generators
Sound equipment	Sound recorders, mixing consoles, microphones
Grips	Cranes, dollies, remote heads
Rig equipment	Special equipment designed for producing movies serving clients' demand
Service vehicles	Vans, Beverage vehicles, mobile toilets and motor homes

The rental equipment also comes with highly-skilled technicians. Equipment is delivered directly to shooting sites by vehicles e.g., six-wheel trucks, equipment pick-up trucks and etc. to ensure timely delivery.

In 2015, the equipment rental service generated revenue of Baht 377.51 million, accounting for 62.16 percent of the total revenue.



1.2 Market and Competition

1) Industry

- Film Industry

In 2015 the Thai film industry experienced deterioration both in terms of quality and revenue. Throughout the year most Thai films only managed to break even or generated losses. The remaking of the past blockbuster films was also unsuccessful. Hence, the market share of Thai films in 2015 stood only at 17 percent of the total revenue of Baht 4,400 million. Despite some good films being awards and generating better-than-expected revenue, this did not give a significant boost to the overall Thai film industry.

Regarding foreign films, “Jurassic World” generated revenue of over Baht 127 million within four days on screen; as a result, this film made the fourth biggest revenue in Thailand, following Furious 7, Avengers : Age of Ultron and Transformers : Age of Extinction, respectively.

The Thai film industry is highly emphasized by the government given the fact that Thailand is a leader in this industry in Southeast Asia. The film industry also helps to create understanding about Thailand among international nations as well as promoting Thai tourist attractions. The Ministry of Culture tries to employ strategies to drive the Thai film industry in five major areas, i.e., enhancement of producers and personnel’s capability, enhancement of domestic and international competitiveness, promotion of intellectual rights and rights, support of international collaboration, and development of international center aimed at supporting systematic management.

- Advertising Industry

The Thai advertising industry is beginning to transform from ad spending mainly through TV channels to online channels. Operators who have increased the portion of their online advertising spending include those in the telecommunication sector, automotive sector, and consumption sector. These groups focus on advertising that help to bring experience to customers and stimulate their participation. Online advertising focuses on two-way communication between operators and customers as well as clear evaluation for the success. As all these aspects are well supported by online advertising, operators tend to raise more spending budget on online channels. Meanwhile, the role of online has also changed from the past when it acted only as a communication channel between operators and customers to the present when the channel is becoming a way to generator revenue for operators at all sizes, from large organizations to medium and small ones. Therefore, online ad spending is likely to grow well, with high portion compared to the overall ad spending figure in the entire Thai industry.

Number of and revenue from foreign projects shot in Thailand classified by types

Type	No.	2010	2011	2012	2013	2014	Jan -Oct 2015
Ad commercials	Unit	255	296	314	346	294	270
Documentaries	Unit	178	155	122	150	159	140
Music Videos	Unit	50	34	41	47	44	47
TV programs	Unit	34	67	80	86	74	46
Sensitive TV programs	Unit	4	8	8	6	6	5
Game/Reality shows	Unit	-	-	3	-	1	9
TV dramas	Unit	6	4	6	7	1	-
TV series	Unit	2	7	9	8	7	14
Feature films	Unit	49	35	53	67	41	52
Others	Unit	-	-	-	-	4	2
Total	Unit	578	606	636	717	631	585
Estimated Revenue	Mn Bt	1,869.15	1,226.45	1,781.93	2,173.35	1,934.18	2,676.67
Variance	%	108.19	-34.38	45.29	21.97	-11.00	38.39

Number of foreign movies shot in Thailand classified by countries

Country	2010	2011	2012	2013	2014	Jan- Oct 2015
Japan	123	113	149	140	133	93
India	128	107	125	150	107	104
Europe	79	97	73	71	85	84
Korea	41	47	33	29	22	28
China	22	33	24	30	37	40
America	22	35	27	33	26	33
England	12	22	32	41	37	36
Hong Kong	24	24	37	38	28	27
Australia	8	15	6	22	18	15
Taiwan	16	9	1	7	2	7
Others	103	104	129	156	136	118
Total	578	606	636	717	631	585
Variance (%)	16.53	4.84	4.95	12.74	-11.99	-7.29

Source: Thailand's Film Office, Tourism Development Office, Ministry of Tourism and Sports; October 2015

According to the Film Office, foreign movies shot in Thailand during the first ten months of 2015 were valued at Baht 2,676 million for a total of 585 projects. Most of the projects were commercials, documentaries and series. By country, European, Japanese and Indian crew came to film in Thailand with the biggest number of total products, accounting for over 50 percent of the total foreign projects shot in Thailand.

2) Competition

- Pricing: The price competition is very intense, resulting in a large number of discounts in order to attract more clients.
- Equipment: New digital equipment has continued to be introduced and such new equipment is in high demand. Hence, each operator has to continue investing in new equipment in a prompt manner.
- Customer relation: Companies who serve regular big clients in the long term have more chances to provide service for production teams of big films on a regular basis. The Company's service is widely accepted among foreign clients. This big client base could help pave the way for the Company to attract more potential clients.

2. TV program production business

2.1 Service Details

The Company's TV program production business is operated in two formats: i) the Company subleases broadcast timeslots from the TV stations for its own TV programs and ii) the Company is hired by the TV station to produce TV programs (i.e., the Company provides TV program production service). From this business, the Company gains revenue from selling commercial timeslots for promoting products/services during the programs and production revenue. As of 31 December 2015 the Company presented two program styles for the total of five programs, the details of which are followed.

1) Game shows

Game shows allow participants to play games and win the prizes. The Company's game shows focus both on useful information and entertainment. Knowledge and interesting ideas are also presented in the programs, reflected by program participating guests' special abilities or program hosts' interviews.

As of 31 December 2015, the Company presented one game show as follows

- "Plod Nee" is a game show presenting both knowledge and entertainment with content focusing on the society. Regarding the program style, guests are invited to demonstrate their special abilities. If they successfully achieve the program's rules, they debts will be settled by the program producer. The program focuses on offering assistance to those in financial trouble. Through guests' special abilities, the program presents useful information, knowledge, as well as interesting ideas.



2) General programs/ Verities

The general/variety programs provide opportunities for guests to share stories reflecting various aspects of the Thai society. The programs focus on both education and entertainment purposes.

As of 31 December 2015, the Company presented four general/variety programs as follows:

- Kob Dek... Sarng Ban: The program was designed to seek good children, who were in need of helps or hold too tough responsibility for their ages, and helped them achieve their goals. The team of program producers and crew either built them a home or offered them some scholarships, encouraging them to pursue their dreams and withstand the hardship. Viewers of the program enjoyed both entertaining and educating contents (Note: The program was discontinued in October 2015).
- "Im Mee Pee Mun" program allowed those with outstanding cooking skills to demonstrate their skills, showing their creativity in cooking (the program was discontinued in October 2015).
- "Kin Kan Bao Bao" was an easy viewing food program, making viewers enjoy cooking at home (the program was discontinued in June 2015).
- "Nice Kitchen" program presented several menus accompanied with fun and fashionable styles easily reaching teenagers. The program also helped to promote the Company's magazines, i.e., Cheeze and Looker (the program was discontinued in March 2015).

2.2 Marketing and Competition

1) Industry Overview

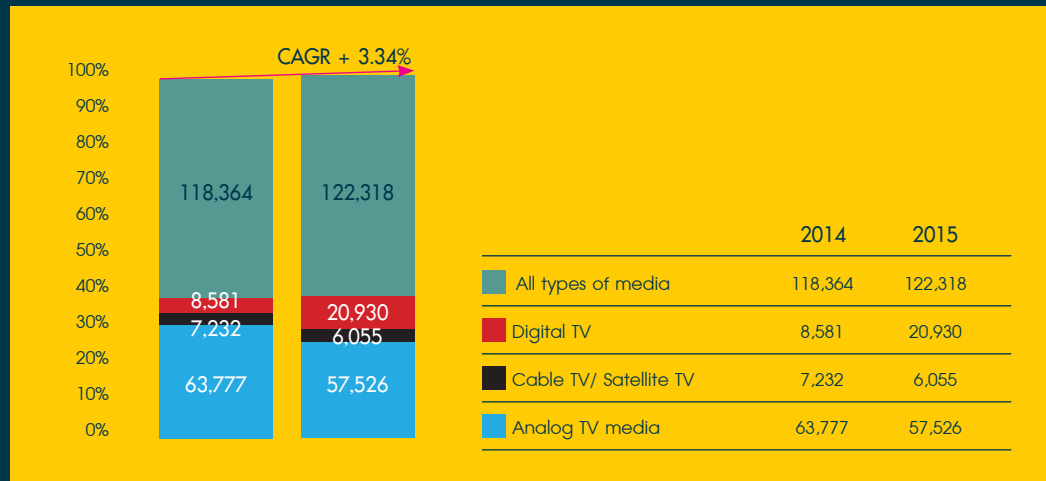
- Advertising Industry

Ad spending during 2014-15

Media Types	2015	2014	Growth (%)
Analog TV	57,526	63,777	-9.80
Cable TV/ Satellite TV	6,055	7,232	-16.27
Digital TV	20,930	8,581	143.91
Newspapers	12,332	13,182	-6.45
Cinemas	5,134	4,349	18.05
Radio	5,675	5,610	1.16
Magazines	4,227	4,931	-14.28
Outdoor	4,265	3,974	7.32
Transit	4,478	3,813	17.44
In-Store	639	1,964	-67.46
Internet	1,058	950	11.37
Total	122,318	118,364	3.34

Source : Nielsen Media Research

The overall figures in 2015 suggest that the ad spending grew only slightly due to continuous economic slowdown both domestically and globally. The deterioration in Chinese economy, in particular, had negative impacts on economies across Southeast Asia. The advertising figures in 2015 suggested that the market value of the advertising industry amounted to Baht 122,318 million versus Baht 118,364 million in 2014, representing growth of 3.34 percent.



The ad spending through TV channels still held the biggest share; the portion of ad spending through digital TV (21 new channels) increased while that for analog TV fell. The ad spending through analog was valued at Baht 57,526 million, down by 9.80 percent, while the spending through digital TV expanded by 143.91 percent to Baht 20,930 million. The top three losers of media channels were in-store media (-67.46 percent), cable TV/satellite TV (-16.27 percent) and magazines (-14.28 percent).

- **Television (TV)**

The combined market value of digital terrestrial TV in 2015 (January to November) for both existing and new channels stood at Baht 72,587 million, Baht 53,175 million of which was for existing channels while the remaining Baht 19,412 million was for new ones. The programs broadcast on existing and new channels accounted for 73.26 percent and 26.74 percents, respectively, of the total market value. On a year-on-year basis, the portion of existing channels dropped by 8.17 percent while that from the new channels increased by 28.22 percent from the figures reported for November 2014.

While the overall advertising value dropped year-on-year due to economic slowdown, the value of ad spending via new channels in 2015 increased by 67.96 percent compared to the figure seen in 2014; this resulted from better feedback from viewers of digital TV alongside the increase in number of people viewing programs broadcast on digital TV channels. Therefore, the ad spending through digital TV channels increased; meanwhile, the portion of six free TV

channels decreased by 12.8 percent year-on-year. In December 2014, Channel 7 achieved the highest rating, followed by 3HD Channel and Workpoint.

	2014 (Jan - Dec)	2015 (Jan - Nov)	Changes
Traditional TV (6 Channels)	84.08 %	73.26 %	↓ 12.87 %
New DTT (21 Channels)	15.92 %	26.74 %	↑ 67.96 %

Source: NBTC

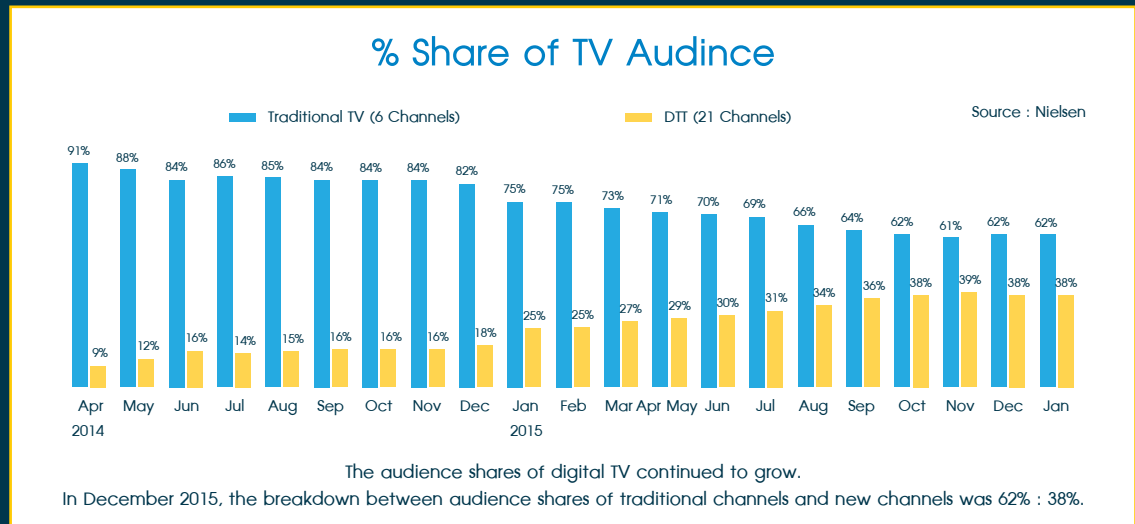
- TV program Production Industry

Online TV has become a new choice for viewers as they can watch TV anytime and anywhere; this suits well the new lifestyle of people in the digital era when they can access the Internet anytime and anywhere. According to Kasikorn Research, the number of Thai people viewing online TV accounts for approximately 37.4 percent of the total population; 33.0 percent of these viewers watched TV in multi format forms, i.e., watching online TV alongside traditional TV. The top three popular programs broadcast on online TV are dramas/series, music programs, and varieties shows, with viewers accounting for 79.8 percent, 46.2 percent and 41.1 percent, respectively, of the total viewers of online TV. With unique characteristics of online TV, e.g., interactions between program producers and viewers and producers' ability to made viewer data base, producers are able to create or present different and unique programs to match lifestyles of targeted viewers. Therefore, producers can directly reach their particular targets and there are extensive opportunities for producers on online TV to present new creative programs. Kasikorn Research opined that online TV has more room to grow continuously thanks to growing popularity of Smartphones and tablets that have expanded to provinces and covered people at older ages. In addition, the enhancement of internet networks both for wired internet connections and wireless connections, growing number of new online TV channels and new major TV content player are all factors helping to drive growth in online TV. Kasikorn Research estimated that in 2015 the content market for online TV alone was valued at Baht 600 - 615 million, accounting for 1.5 percent of the total value of the entire TV content market at Baht 39,000 - 40,000 million.

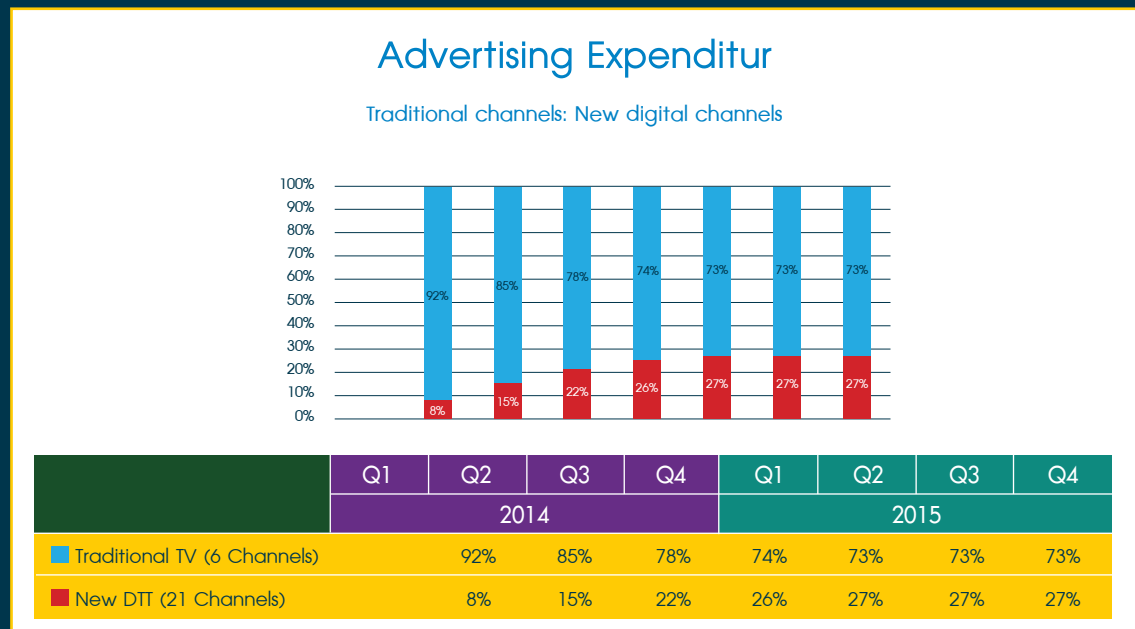


2) Competition

In 2015 the share of TV audience for 21 new digital TV channels increased while that for six conventional channels declined. According to Nielsen's survey in December 2015, the breakdown between TV audience of traditional TV channels and new channels was 62 percent: 38 percent.



The ad spending through 21 new digital channels increased. In 2015 the digital TV saw share of ad spending increase to 27 percent while the conventional channels saw ad spending share at 73 percent.



Growth in ad spending through new digital TV channels in 2015 VS. 2014 = 144%

Terrestrial TV channels	2014		2015		of change
	Million baht	%	Million baht	%	
Traditional channels (6 channels)	63,776	88.14	57,526	73.32	-9.80
New digital TV channels (21 channels)	8,584	11.86	20,930	26.68	143.83
Total	72,360		78,456		8.43

Source: NBTC

As for the ad spending growth during 2014-15, the ad spending on six conventional channels dropped by 9.8 percent while new channel enjoyed ad spending growth of 143.83 percent.

3. Event Organizing Business

3.1 Service Details

The Company helps its clients to organize marketing campaigns, plan public relation activities, and promote organization images for both state and private sectors. In addition, the Company also provides integrated event organization services both domestically and internationally. The services cover all relevant areas, e.g., event designs and proposals of creative event styles, to ensure that the clients' intended messages are successfully conveyed to their targeted groups. Moreover, the Company also provides services in terms of production, equipment provision, light and sound systems, stages, various techniques and etc., as well as creating complete works ready for presentations.

3.2 Market and Competition

1) Industry Overview

During the first to the third quarters of 2015 the event organizing business slowed down due to a number of unfavorable factors, such as fluctuations in Thai and global economies, public disorders, intense competition, and decreases in state budget. However, the situation seemed to improve in the last quarter, which was a peak season, when the government injected more state budget and private operators launched more marketing activities in order to boost their yearend sales. In addition, new-year countdown events were organized at various locations. Therefore, the Company's event organizing business picked up to a certain degree during the year-end period. Overall, the business remained flat in 2015, with the combined market value of Baht 12.3 billion.

As for 2016 outlook, the event organizing business is projected to remain flat. Even if the industry recovers faster than expected, the projected growth should not exceed 5 percent because the government has still delayed the disbursement of state budget allocated for approved projects. As



the state budget disbarment needs some processing time, the budget spending will be systematized around late 2016. Meanwhile, the private sector will also likely to delay marketing budget. It should be noted that the event organizing business is very sensitive to external factors, especially in terms of domestic politics and economies.

Hardship ahead in 2016 for Event Organizing Business

- The market value stood at Baht 13,000 – 14,000 million, with expected flat growth of not more than 5%
- Economic and political problems to act as major factors impeding growth in event organizing business
 - Index to give more weighting and boost revenue from CIMV
- Right Man to organize not less than 2-3 projects on tourism-related events
 - CMO to launch Himapan Awatal Shower in mid-2016
- Telecommunication, automotive, property sectors to spend the biggest budget on event organizing in 2016

Source: Prachachart Thurakit

2) Competition

The competition in the event organizing industry has become fiercer as it has been widely accepted that events can really reach broad-based consumers. Hence, operators prefer to organize marketing events both in terms of particular groups and general public events, for marketing purposes.

4. Printing Business

4.1 Service Details

The Company produces magazines and earns revenue from sale of magazines as well as from sale of advertising space to advertising agencies and product/service owners.

As of 31 December 2015, the Group offered two printing products

Magazines



Magazines Cheeze

Circulation Monthly

Details Magazine for teenagers: Street Style, How to, Shopping with focus mainly on on-street and interesting content

Targeted readers - Readers aged from early teens to university students

- Those working in fashion industry, designers, photographers and those in the advertising industry



Magazines Looker

Circulation Monthly

Details Wear magazines encouraging men to be well dressed and take good care of themselves

Targeted readers - Both teenager readers and working adults focusing on male readers

- Those working in the fashion industry, designers, photographers, and those in the advertising industry

In addition to the aforementioned magazines, the Company also provides printing design services, such as supplements, catalogs and etc. as well as doing production ads for clients who are not convenient to do artworks by themselves.

Moreover, the Company has increased business channels and expanded business coverage to reach more readers and raise revenue through the following:

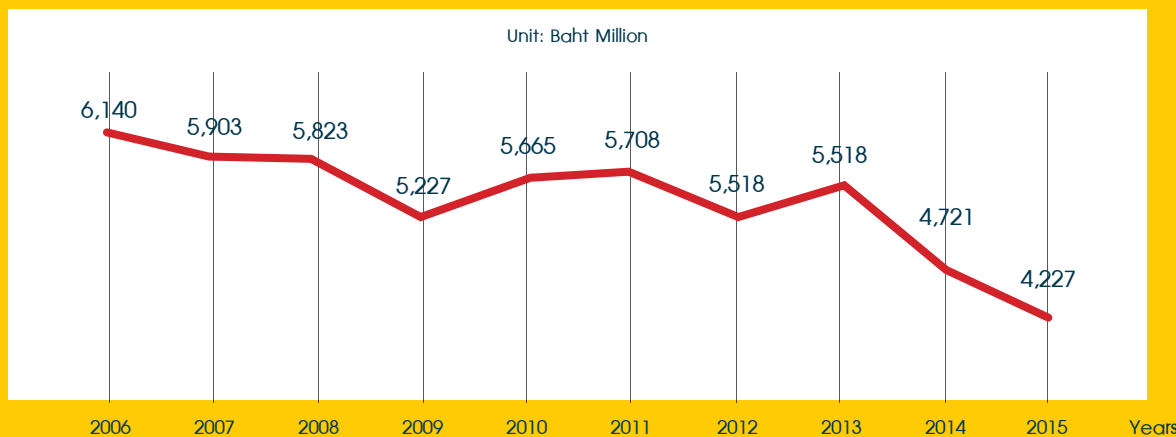
- **Social Network:** This is a form of two-way communication channel through internet connections. Advertisers or operators can promote their products through social network media, e.g., Facebook, Twitter and Instagram to reach their customer targets.
- **iPad Application:** an applied program on iPads to access e-Magazine of Cheeze and Looker magazines, for which readers can access to devices and read the magazines.
- **Marketing events linked to targeted groups** to support the Company's core business operation and serve the demand of clients who want not only advertising but also marketing events
- **Cheezecarbootsale:** The activities creating trends, images and presenting CSR for Cheeze magazine as well as offering the opportunities to meet readers, serving demand from readers and shopping lovers

4.2 Market and Competition

1) Industry Overview

The changing lifestyle of consumers alongside emergence of new technologies and innovations is another important factor on top of economic and political factors. Other relevant factors include the expansion of usage of electronic devices in broader and more remote areas. Also, there are a number of media types that consumers can conveniently choose. The printing business, i.e., newspapers and magazines, have not expanded and it is likely that the business may deteriorate because more consumers tend to choose online media with easier access and faster news and information. More importantly, online media is free. Taking account of this factor, operators in the printing business have to adjust their strategies to survive by releasing their content on online media.

Ad spending through printing media business (Magazines)



Source: Neilson Media Company (Thailand) Ltd.

2) Competition

The market of paid monthly magazines has not expanded but it is rather likely to continue dropping as readers tend to read from online media more because the online media is easier and present news and information faster and, more importantly, it is free. In addition, more free copies have been available. Free copies can serve more varieties of styles and reach particular targets, similar to paid monthly magazines. Hence, the competition has become more intense but not so fierce. Apparently, a larger portion of advertising revenue is shared to free copies.

Regarding the Company's printing business, advertising sales on paper printing matters declined but that on online media held up fairly well. In addition, the Company continued to gain support from sponsors, i.e., agencies, and product brand owners, which could attract greater attentions from targeted clients.

5. Post-production

5.1 Service Details

The production of feature films or commercials is done in three steps:

1. Pre-production
2. Production
3. Post- production

Post-production is the final step before project completion, either for feature films or TV commercials. Post-production work consists of editing, color grading, visual effects, computer graphics and sound mixing. After all these works, the product will become a complete master piece before releases in various media.



5.2 Marketing and Competition

1. Industry Overview

- Post-production House

In the past the number of big players in the post-production house industry was rather small due to high cost; however, the number of operators has increased recently as prices of equipment and software have declined. More small and medium post-production houses were opened, separating from large ones.

2. Competition

As a number of smaller post production houses has increases, the competition has also become more intense, especially in the mid to low segment where was price has become common. Hence, the post-production revenue per one project declined by 40 percent.

6. TV Commercial Production

6.1 Service details

The Company's production house operation is divided in three categories:

- 1) The Company produces TV commercials to promote goods or services or to convey messages from clients to their targeted customers. The commercials last 15, 30, 45, 60 seconds or longer. Different commercials are presented in different styles, depending on the creativity of advertising agencies and production houses' ability to convey the intended messages and concepts to viewers.
- 2) The Company also offers revision works for old TV commercials to match the changes and new demand from clients. The Company also sells its past commercials to clients who want to keep or publicize more of their commercials. This service is rather limited as it depends mainly on clients' demand.
- 3) The Company also provides services for international production crew who come to shoot commercials or movies at various locations across Thailand. The services cover feasibility study, advisory about shooting locations in Thailand and neighboring countries, cost projection and control for the entire production project, recruitment of crew members as well as post production services, e.g., editing rooms, and editing crew, and etc.

6.2 Marketing and Competition

1) Industry Overview

- Production House Industry

At present, there are many players in the production hose industry due to the trend that more producers and directors resigned from full-time positions at big production houses to operate their own production houses. To elaborate, producers and directors, the major figures in the industry, tend to run their own smaller production houses, instead of working for big production

houses. Some people work only on a freelance basis. As a result, the number of producers and directors in big production houses has become smaller while small production houses have seen a growing number of producers and directors. Consequently, the market has experienced intense competition but production houses gain more flexibility.

- Advertising Industry

The details on the advertising industry can be obtained from Item 2.2: the Marketing and Competition 1): Advertising Industry.

2) Competition

As the traditional media and advertising industry remained stable as the big advertisers on FMCG products reduced the “portion” of ad spending through traditional media, e.g., TV, Radio, printing matters while raising the spending more digital media. For example, Unilever decreased its ad spending through traditional media by 14 percent during 11M15 but increased its ad spending on digital media by 25 percent as the firm viewed that digital media has become “mass media”, similar to other traditional media, considering the figure that Thai people who access to the internet and social media accounted for 50 percent of the total Thai population. In addition, the trend of people using internet is expanding thanks to expanded mobile internet.

The ad spending remained stable in 2015 because of economic slowdown. As ‘sales’ did not increase, operators had to reduce “cost” by cutting ad spending first. According to the report on Thai consumer spending from Kantar World panel (Thailand) who conducted a survey on 4,000 households, the spending expanded by merely 1.2 percent, representing the slowest pace of expansion in seven years. The spending growth of Thailand was about the lowest in Asia, with an average of 4.6 percent. In 2016 it is projected that the Thai economy will continue to experience a number of headwinds that will hinder people’s purchasing power. An example of such headwinds is “draught” that will have a direct impact on provincial purchasing power. “Kantar” projects that the consumer market will grow only 1-2 percent next year; this situation will eventually impact FMCG group where big ad spenders remain cautious about investment in advertising and unable to raise their spending budget while sales remain slow. Under the current circumstances, agencies and media operators share the same view that 2016 will remain another ‘hard’ year for the media and advertising industry.

The Studio Park



7 Studio Rental Business

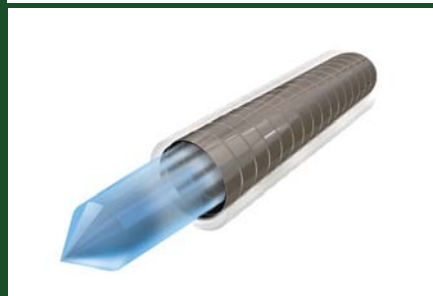
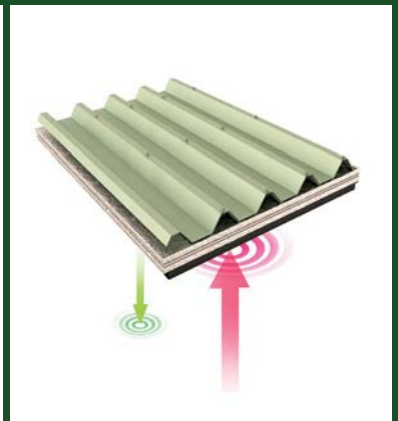
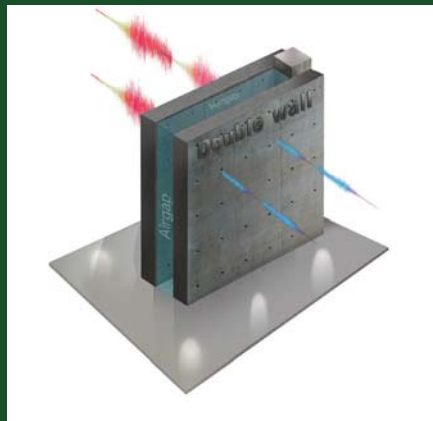
The studio rental business remains potential business that has yet to generate revenue. The Extraordinary Shareholder Meeting 1/2014 and the Extraordinary Shareholder Meeting 1/2015 approved the plan for Matching Broadcast Co., Ltd (99.99% held subsidiary of the Company) to invest in the studio rental project. The project was adjusted in terms of project planning, location and construction materials in order to boost quality to meet new investment standard. The construction for the project started in late 2015 and it is under foundation work currently.

Major project functions include:

01

Acoustic Design

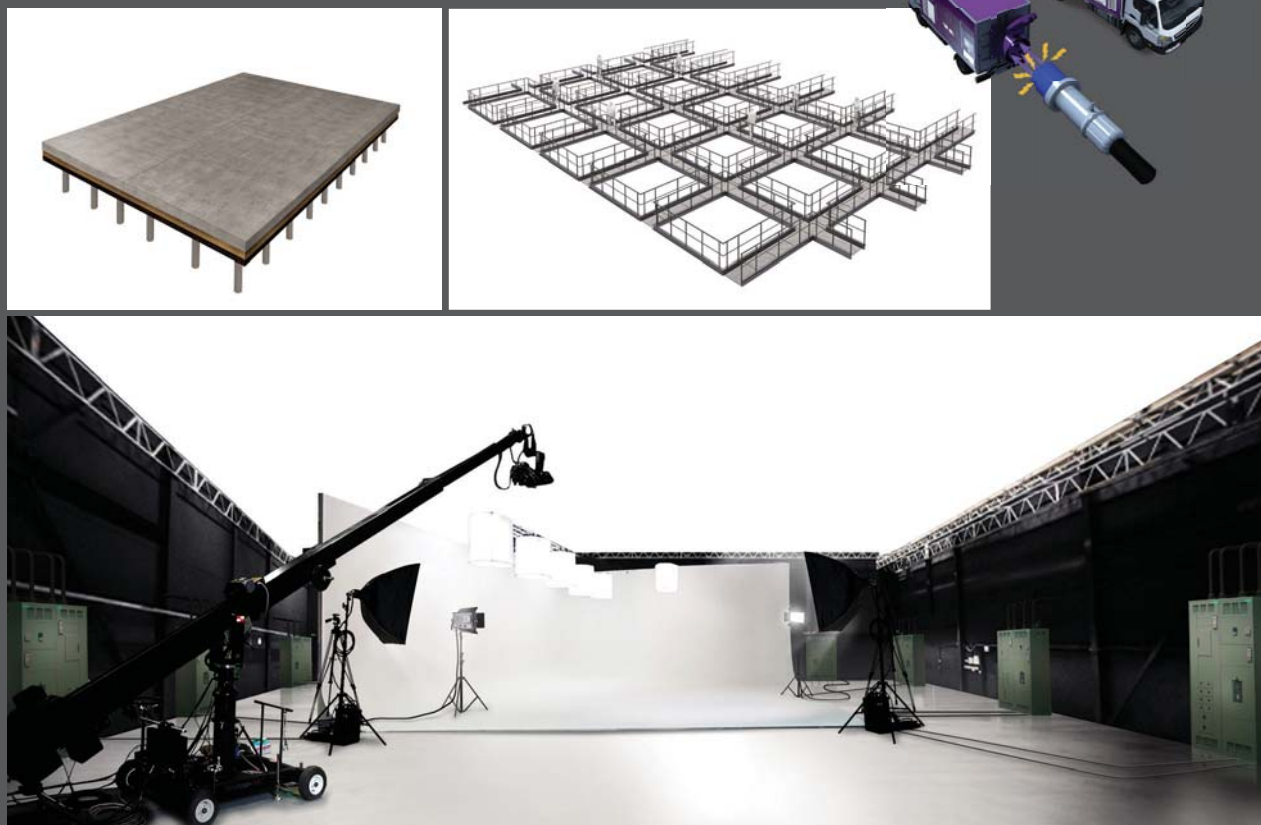
1. Acoustic Design for international standard sound proof system ("NC 25")



02

Practical Design

2. Practical Design for structure that can support high weight

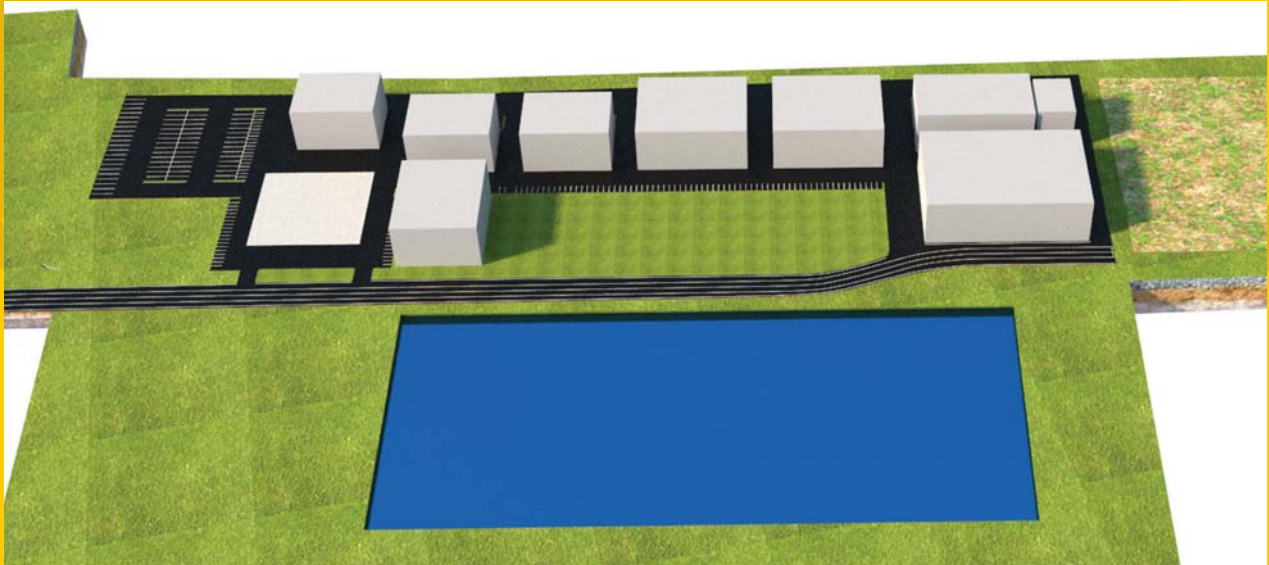


03

Space Space

3. Spacious space to serve shooting activities





04

Production Convenience

4. Production Convenience: provisions of a number of facilitators such as dressing rooms, recreation rooms, conference rooms, and etc.

Construction Progress



Risk Factors

1 Business Operation Risks

As the Company's core businesses are equipment rental services, TV program production, event organizing, printing business, post production business, TV commercial production, and studio rental business, risk factors vary in accordance with types of business. The details of risks in each business are discussed below.

1.1 Equipment Rental Business

1.1.1 Risks in regard to the changes in technology and the obsolete equipment

The Company provides equipment rental services for production of feature films, TV commercials and TV programs and TV dramas, for which the technology changes rapidly. Clients tend to choose companies with new equipment they are familiar with. The Company has continued to invest in new equipment to support the clients' demand. In addition, the Company also develops personnel efficiency who can engage in particular equipment with special techniques to serve new clients. The Company also provides personnel training to enhance personnel skills in using equipment in order to facilitate clients.

1.1.2 Risks in regard to investment in equipment and unpopular equipment

To provide equipment rental services, the Company has to highly and continuously invest in new equipment. If it turns out that the invested equipment does not satisfy the clients, the Company will see some risks and unable to break even and gain returns from such investment. Nonetheless, when deciding to invest in new equipment, the Company has to take into account clients' needs and demand by preliminarily surveying the clients' preference. The Company analyzes the profitability outlook of an asset before deciding to invest in such asset. The Company has recently invested in studio rental project, which is the company's new project that includes rental service of international standard studio. The project also includes a warehouse for keeping rental equipment. The project will enable the Company to promptly and conveniently provide integrated service to clients, reducing transportation cost. The project will prompt clients to rent additional equipment all the time. Hence, the Company is confident that its rental assets will generate hefty revenue with accelerating return rate.

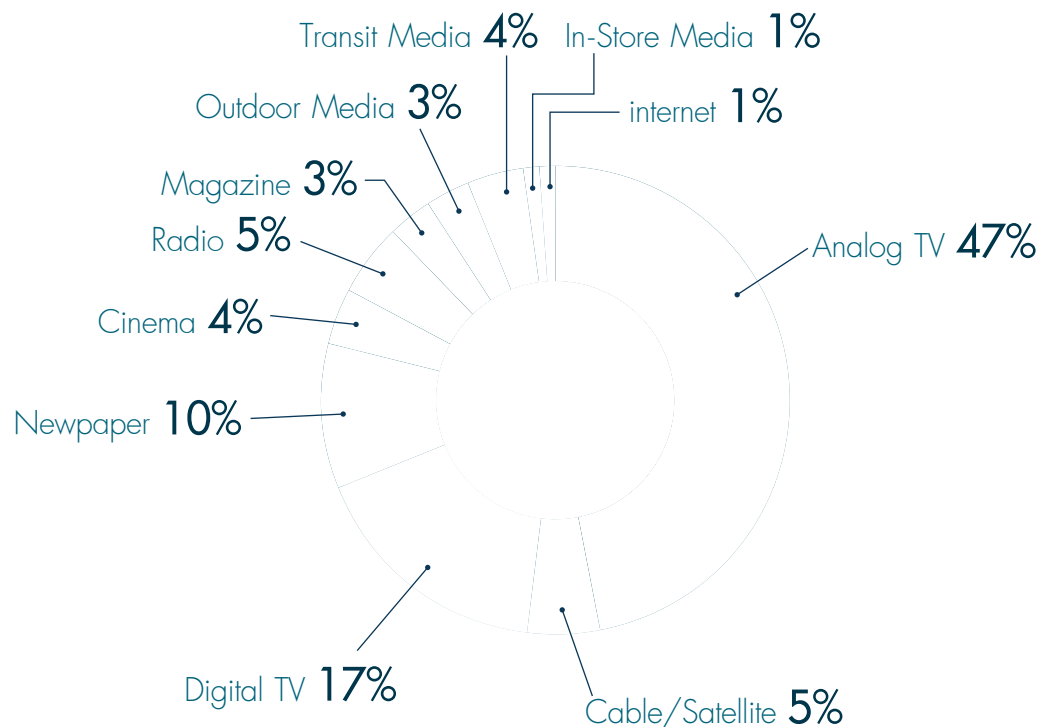
1.2 TV Program Production

1.2.1 Risk in regard to program plan reshuffle or changes in terms and conditions in contracts

Risks seen in TV program production include the possibility that the TV channel may reshuffle its program line-up in order to maintain its market share or rating. Also, there is a risk that the TV station may decide to change the terms and conditions in the contract, e.g., hiking the airtime lease rates, lowering revenue sharing, and reducing advertising time, which may impact the continuation of the Company's TV program. Being well aware of such risks, the Company tries to

minimize the chances that the TV station will decide not to extend the subleasing contracts or decide to extend the contracts under some unfavorable conditions. In so doing, the Company is committed to continued development of its program content in order to raise audience share (i.e., boosting the program's rating) as well as attracting more sponsors given that the rating level and the number of program sponsors are key factors for the TV station to decide whether or not to extend the subleasing contracts. The Company keeps monitoring its popularity and boosting audience shares by enhancing its program content regularly.

- 1.2.2 Risks in regard to ad spending stead to other media with smaller ad spending through TV media
- Currently, the ad spending trend is transforming from the ad spending through analog TV (free TV) to other media channels, especially digital media, online advertising media, Internet media, printing media, and ratio media. New media channels tend to become more influencing in costumers' decision making to buy products and service.



However, data suggest that analog TV media and digital media remain the most popular media for ad spenders, which means that the two media types still capture the biggest market shares as they can reach mass markets. The competition in ad spending results in high competition in TV program production as operators try to complete in improving quality and content of their programs. Realizing this factor, the Company continued to develop the content and present content varieties of both existing programs and potential programs in accordance with consumers' changing behaviors

- 1.2.3 Risks in regard to limited ad budget of operators

The current economic slowdown as well as various unfavorable factors has negatively impacted consumers' purchasing power, which in turn result in ad budget allocation of operators.

To elaborate, operators tend to spend their ad budget more carefully and try to limit ad budget. Also, some operators change their ad spending strategy, i.e., from annual planning to shorter-period planning. However, the more intense competition, coupled with greater varieties of ad media channels still attracts operators to effectively spend ad budget in order to promote their products/service among their targeted customer. Also, more operators may be attracted to spend ad budget on media channels. In the mean time, the state sector may also come up with new projects, which require more advertising through various media channels. Should the economy recover, operators will become more confident in ad spending; this will ultimately help to boost ad spending growth.

1.3 Event Organizing Business

1.3.1 Risks in regard to changing consumer trends

Popularity trends among consumers and their satisfaction are major factors impacting the popularity of event organizing. When making a decision to organize an event, an advertising agency or a product/service owner always takes into account the current trends among consumers. Hence, if the Company is unable to organize events to match the consumers' changing popularity trends, this would have a negative impact on the Company and its subsidiaries' revenue and earnings performance. A key factor influencing event business is the changing life style of Thai people, i.e., people spend time outside their homes more than in the past. This trend provides good opportunities for event organizers to expand and develop their events in response to the changing lifestyle. Continuing to follow the situation, see the changing trends, and survey consumers' trends on a regular basis, the Company is confident that it is able to keep up with the consumers' changing trends.

1.3.2 Risks in regard to competition in the industry

As there are many players in the event organizing industry, the competition has intensified. Large operators try to balance risks in a number of ways including expansion to CLMV markets as well as seeking other sources of revenue. In 2016 the event organizing industry is likely to improve, continuing from the improving trend that began in 2H15 thanks to government's stimulus packages, continued investment in large projects and large projects that the government tried to complete the auctions within 2015. These projects will help to boost spending in the economic system, enhancing consumer's purchasing power. This trend has prompted marketers who delayed their ad spending in 2015 to begin planning on marketing budget for 2016. One major tool for marketing is event organizing. Events are presented in a number of styles. Next year events will be seen mainly in two sizes namely big events and small events. Meanwhile, the portion of medium-sized events may decline as target groups are more clearly identified. Note that the Company has a policy to provide integrated service, including advisory in terms of annual marketing plans for clients and provisions of specialists who can design interesting and distinguish events that can directly serve clients' demand.

1.4 Printing Business

1.4.1 Risks in regard to the changing technology

Readers tend to change their behaviors in line with the changing technology. To elaborate, many readers tend to read from online media in stead of printing media as online media is more convenient, faster and free. Hence, some paper magazine operators had to cease operation or change their business operation. Being aware of the risk, the Company tries to reduce the possibility of losing business opportunities by adding more channels to reach more reader base, including online media, Ipad Applications, E-magazines. Moreover, the Company also regularly organizes marketing activities that relate to the targeted clients. These marketing events help to provide integrated services to support clients who want to promote their services or products in addition to advertising on printing media alone.

1.4.2 Risks in regard to higher paper cost

Paper is a major raw material in the printing business. Hence, volatile paper price can be risk for the Company, directly impacting its earnings performance. To minimize the risk, the Company places orders for paper in advance and orders paper from more than one supplies in order to maintain the cost level.

1.4.3 Risks in regard to dependence on a major partner

Currently, the Company distributes its printing products through an only distributor. Hence, it will be risky if the distributor decides to discontinue distributing the Company's products. If this is the case, the Company will have to seek a new distributor, which would have a negative impact on the revenue and earnings performance. However, the Company believes that its close relation with the distributor, coupled with the quality of its products and good reputation for over ten years with clear target customers, should prompt the distributor to continue distributing the Company's products. Moreover, the Company is also able to sell its printing products through the Internet, instead of selling from bookstands.

1.5 Post Production business

1.5.1 Risks in regard high competition

In the past the number of big players in the post-production industry was rather small due to high cost; however, the number of operators has increased recently as prices of equipment and software have declined, resulting in higher competition. Nonetheless, despite a larger number of post- production houses, some houses are unable to serve clients' demand as they provide only some services, such as editing or coloring, and etc. Hence, the Company can reap benefits as a one-stop service provider who clients can conveniently access to its service. Also, its working length is reduced and cost in regard to site relocation is also lowered.

1.5.2 Risks in regard to dependence on human resources

Post-production business requires highly-skilled personnel with solid expertise and experience in order to create regulation and gain creditability from clients. Hence, the Company has skillful

personnel who have expertise in start-of-the art equipment. The Company realizes the importance of personnel development alongside the company's success. It should also be noted that a major share holder of this business is a key man overseeing this business, who is ready to push forward the business and continue to produce high quality service.

1.6 TV Commercial Production

1.6.1 Risks in regard to shortage of qualified personnel

As the Company changed its service from a commercial producer to be an agency for TV commercial production projects, the major roles and responsibilities include coordinating, providing personnel, equipment and seeking locations. The major production functions are performed by freelancers. Hence, the Company may see some risks if it is unable to recruit freelancers, and this may affect the Company's revenue and earnings performance.

However, the Company and its subsidiaries have good relationship with many experienced personnel in the industry and most of them worked with the Company before. In addition, the management of the Company and its subsidiaries consists of those with high experience and those widely respected by people in the industry. Therefore, the Company is confident that it is able to recruit personnel to work on its TV commercial production projects.

1.6.2 Risks in regard to relocation of TV commercial production base

The Company provides facilitation services for international production crew who come to shoot commercials or movies at various locations across Thailand. The services cover feasibility study, advisory about shooting locations in Thailand and neighboring countries, cost projection and control for the entire production project, recruitment of crew members as well as post production services. Risks in regard to this business include the possibility that foreign crew decide to choose other countries in stead of Thailand. However, this possibility is quite slim given that the production cost in Thailand is relatively lower than other countries and there are many good locations across the country. In addition, when Company's Studio Park project is finished, it will enable the Company to provide integrated services, including international standard studio, suitable locations and a warehouse equipped with rental equipment to be offered to foreign crew, with convenience and lower transportation cost. Also, the Company has effective teams widely accepted among Southeast Asian customers. Furthermore, its post-production service is also an alternative for clients. Hence, the Company is confident that foreign clients will continue to choose services provided by Thai operators.

1.7 Studio Rental Business

1.7.1 Risks in regard to funding sources and liquidity

The Studio Rental project requires high construction cost as well as huge expenses related to the changes made to project planning as approved by the Extraordinary Shareholder Meeting. However, the Company already conducted a feasibility study of the project as well as securing financing sources from financial institute who has already approved. Hence, the Company is confident on funding and liquidity.

1.7.2 Risks in regard to inability to find clients as targeted

Possible conflicts may cause the project development to fail to yield profits and good returns to the Company. However, the Company has tried to control risk at an acceptable level. With extensive experience in the film and broadcast industry, the Company foresees growing demand for rental studios. Furthermore, once completed, the studio rental project will enable the Company to be the first provider of rental studio under the NC 25 International Standard. Moreover, the Company will also provide state-of-the art equipment, attracting production crew. This helps to support the government's policy to attract more foreign film production crew into the country and it should also well respond to the growing competition in the digital TV industry. Therefore, the Company is confident that its studio rental project will gain good responses from domestic and international film producers.

2 Management Risks

2.1 Risks in regard to having the only major shareholder influencing management policies

As of 31 December 2015, the major shareholder, BBTB Production, held 44.65 percent of the total paid-up capital. With this percentage of shareholding, BBTB Production has power to make decisions and determine the management policies. With BBTB Production as the only major shareholder, it is very unlikely that the Company will be taken over by other companies, without approval from BBTB, even though other shareholders may see opportunities to raise the corporate value. Being well aware of this issue, the Company follows the good corporate governance principles seriously and also has the Audit Committee, consisting of three independent directors from the total nine directors. The independent directors can help enhance the management as well as bringing transparency and balancing the power of directors. The independent directors also act as representatives of retail shareholders to examine the performance of the management. Moreover, should there be any significant legal issues, approval from shareholder meetings is required before further procedure. The aforementioned factors help to control management and execution risks.

2.2 Risks in regard to the major shareholders having conflicts of interests and involving in competing businesses

BBTB is the Company's indirect major shareholder (i.e. it is the major shareholder of BBTB Production, which is the major shareholder of the Company). It is also an indirect holder of all shares in Media Studio Co., Ltd. (Media Studio), which also operates TV program production business. Media Studio produces news and entertainment programs broadcast only on Channel 7. In addition, Media Studio also operates cable TV stations and satellite TV stations, i.e., Media Channel, Media Boom, and Media News. Hence, Media Studio's business may compete with one of the Company's businesses. However, although the two companies are held by the same shareholder, in terms of management the employees of both companies are separated. Although both companies produce TV programs, the types and presentation styles of the programs are different. In addition, they run other different businesses. It should also be noted that TV program production is just one of the Company's businesses. In the future, the Company will focus more on becoming a leader in the equipment rental segment as well as studio and location rental services primarily serving all groups of clients.

Shareholder and Dividend Policy

1 Ordinary Shares

As of 31 December 2015, the Company's registered capital amounted to Baht 535,000,000, for the total ordinary shares of 535,000,000 shares, at a par value of Baht 1.00. The paid-up capital amounted to Baht 531,629,851, for the total ordinary shares of 531,629,851 shares, at a par value of Baht 1.00.

2 Shareholders

The Company's top ten shareholders and the percentage of shareholding out of the total paid-up capital as of the latest booking closing date on 4 September 2015 were as follows:

Name of Shareholders	Amount of Shares held	Percentage of Paid-up Capital
1. BBTV Production Co., Ltd. ^{/1}	237,353,229	44.65
2. Klongprakit Group	34,192,600	6.43
2.1 Mr.Vinai Klongprakit	16,989,200	3.20
2.2 Miss Rarisa Klongprakit	7,230,600	1.36
2.3 Miss Risara Klongprakit	5,973,600	1.12
2.4 Mrs.Vipa Klongprakit	3,260,600	0.61
2.5 Mr.Virat Klongprakit	466,200	0.09
2.6 Miss Rattana Klongprakit	203,400	0.04
2.7 Mrs.Punnee Klongprakit	69,000	0.01
3. Mongkolsapaya Group	13,087,296	2.46
3.1 Mr.Panumas Mongkolsapaya	13,020,628	2.45
3.2 Mr.Kitchai Mongkolsapaya	65,468	0.01
3.3 Mr.Pinyo Mongkolsapaya	1,200	0.00
4. Mr.Chatchavan Piyapraphanphong	10,324,137	1.94
5. Sasinmanop Group	9,903,462	1.86
5.1 Mr.Thanitsaphong Sasinmanop	9,197,623	1.73
5.2 Mrs.Siripen Sasinmanop	705,839	0.13
6. Mr.Vera Supattaratid	9,790,000	1.84
7. The Cheewasutthanon Group	7,865,751	1.48
7.1 Mr.Somchai Cheewasutthanon	7,000,083	1.32
7.2 Mrs.Pantaree Cheewasutthanon	400,030	0.08
7.3 Mr.Somboon Cheewasutthanon	359,783	0.07
7.4 Miss Supaphun Cheewasutthanon	105,855	0.02

Name of Shareholders	Amount of Shares held	Percentage of Paid-up Capital
8. Karavawattana Group	7,548,000	1.42
8.1 Mr.Chayawat Karavawattana	3,835,800	0.72
8.2 Mrs.Areewun Karavawattana	1,814,100	0.34
8.3 Mr. Chaipong Karavawattana	1,145,000	0.22
8.4 Mr. Chaiphat Karavawattana	753,100	0.14
9. Tantimate Group	7,197,000	1.35
9.1 Mr.Thawat Tantimate	6,847,700	1.29
9.2 Mr.Thanitlek Tantimate	350,000	0.07
10. Chanphichai Group	5,260,240	0.99
10.1 Mr. Wiroj Chanphichai	3,343,740	0.63
10.2 Mr.Kanin Chanphichai	1,113,500	0.21
10.3 Miss.Nattanan Chanphichai	803,000	0.15
Total	342,522,415	64.43

Note ^{/1} BBTV Production is a group of companies managing Channel 7, consisting of seven shareholders as follows:

Bangkok Broadcasting and TV Co., Ltd	30
BBTV Asset Management Co., Ltd	25
BBTV Sat Television Co., Ltd	25
Stronghold Asset Co., Ltd.	20

3 Issuance of other securities

-None-

4 Dividend Policy

The Company's minimum dividend payout is 40 percent of the net profit, provided that there are no other necessary reasons to use this amount of money and that the amount of dividend paid must not significantly affect the Company's core business. Meanwhile, its subsidiaries do not have a policy to fix a minimum dividend payout but the dividend policy at each subsidiary depends on performance and needs for capital.

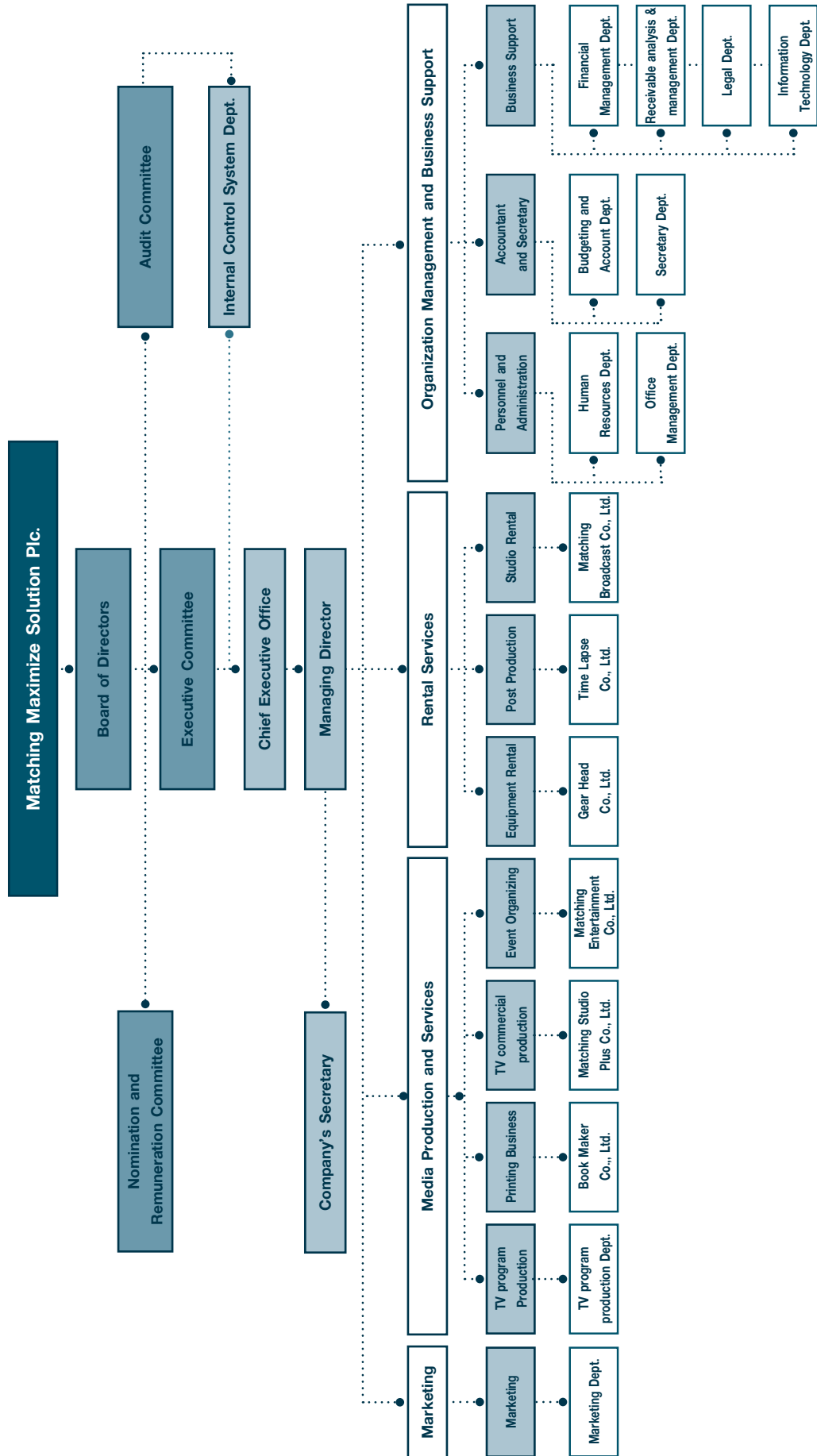
Five-year-historical dividend payment

Year	2010	2011	2012	2013	2014
Earnings per share	0.13	0.05	0.23	0.20	0.06
Dividend per share	0.02	0.09	0.06	0.10	0.055
Dividend Payout (%) ***	18.15	160.22	26.61	60.06	99.58

Note *** Earnings in 2011 were the amount after the adjustment in 2013

The ratio was based on the consolidated financial statement

Management Structure



The Management structure composes of Board of Directors and three sub-committees :1) the Executive Committee 2) Audit Committee and 3) Nomination and Remuneration Committee. The details of which are as follows:

- **The Board of Directors**

As of 31 December 2015, the Board of Directors comprised of the following nine members:

	Name		Position	2015 meetings	
				Total Meetings	Number of Attendance
1.	Mr.Somrit	Srithongdee	Chairman	13	13
2.	Mr.Poomchai ^{/2}	Wacharapong	Director	13	13
3.	Mr.Somboon	Cheewasutthanon	Director	13	13
4.	Mr.Pattanapong ^{/2}	Nuphan	Director	13	13
5.	Mr.Sansrit ^{/1/2}	Yenbamrung	Director	13	11
6.	Mr.Nuttawit ^{/1/2}	Boonyawat	Director	13	12
7.	Mr.Akarat	Na Ranong	Independent Director And Chairman of Audit Committee	13	13
8.	Mr.Nuttawut	Phowborom	Independent Director And member of Audit Committee	13	7
9.	Mr.Kamol	Ratanachai	Independent Director And member of Audit Committee	13	13

Note ^{/1} Mr.Sansrit Yenbamrung was appointed as a director on 28 April 2015 to replace Mrs. Watchanee Watanathawanwong who completed the term.

Mr.Nuttawit Boonyawat was appointed as a director on 28 April 2015 to replace Mr. Chakrapun Leelamasavat who completed the term.

^{/2} A representative of BBTV Production Co., Ltd. (of which Channel 7 is a major shareholder)

Scope of power and responsibility of the Board of Directors

1. To manage and ensure that the Company's business operation conforms to the laws, objectives, and the articles of association including the resolutions of the shareholders' meetings with honesty and trustworthiness and to maintain benefits of the Company;
2. To determine objectives, guidance, policies, business plans, and budgets of the Company; The Board of Directors also controls and supervises the Executive Committee to ascertain that they follow the assigned policies except for the following matters: The Board of Directors must receive the resolution of the shareholders' meeting regarding the following matters; increases or decreases in shares of registered capital; issuances of debentures; disposition or acquisition of all or parts of the Company's business to other parties; purchases or transfers of other company's business; and amendments of the letters of memorandum or articles of association, and etc;
3. To appoint some directors, as deemed appropriate, to be members of the Executive Committee being responsible for the duties assigned by the Board of Directors;
4. To assign individuals to operate the business of the Company under the Board of Directors' supervision; to authorize such individuals to perform some tasks to a certain degree and within a timeframe as deemed appropriate by the Board of Directors; and the Board of Directors may cancel, dismiss, or amend such power;

5. To apply knowledge, skills, and experiences to the duties, bringing about the utmost benefits to the business operation of the Company, with honesty, morality and responsibility to shareholders; and to disclose investment information to investors accurately, sufficiently and transparently;
6. To make sure that the Company's management efficiently performs duties in accordance with the Company's policy; and to ask the management to present significant matters concerning the Company's operation and connected transactions for review in order to be certain that those matters and transactions are conducted in compliance with the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand;
7. To appoint the internal audit department to monitor the internal business operation and cooperate with the Audit Committee.

For any matters that a director or an authorized individual may involve in a conflict of interests with the Company and its subsidiaries, such director or authorized individual shall not have a voting right to cast votes for that particular matter.

● The Management

As of 31 December 2015, the Company's management comprised of ten members as follows:

	<u>Name</u>		<u>Position</u>
1.	Mr.Poomchai Wacharapong		Chief Executive Officer
2.	Mr.Somboon Cheewasutthanon		Managing Director
3.	Mr.Thanitsaphong Sasinmanop		Senior Executive Vice President Group of Advertising Production Services and Renting of Equipment
4.	Mr.Wiroj Bunsirirungruang		Senior Executive Vice President Group of Organization Management and Business Support
5..	Mrs.Siripen Sasinmanop		Executive Vice President Group of Advertising Production Services and Renting of Equipment
6.	Mr.Natpatsakorn Jankhod		Senior Vice President Office Management Dept. and Human Resources Dept.
7.	Mrs.Ladawan Khumsap		Senior Vice President Budgeting and Account Dept.
8.	Miss.Usa Wannamolee		Senior Vice President Finance Dept. ,IT Dept., Legal Dept. and AR Dept.
9.	Mr.Chatchai ^{/1} Thaowongsa		Senior Vice President Marketing Dept.
10.	Mr.Sarawut ^{/1} Kaewpradap		Senior Vice President Production Dept.

Note ^{/1} Mr.Chatchai Thaowongsa and Mr.Sarawut Kaewpradap were appointed as senior vice presidents in June 2015

Scope of duties and responsibility of the Chief Executive Officer

1. To manage the Company's normal business operation;
2. To carry on operation according to the Company's business policies, business plans, and business strategies approved by the Board of Directors;
3. To authorize or assign any other individuals under an approval of the Chief Executive Officer to perform duties on behalf of the Chief Executive Officer in some necessary and appropriate matters under the

Chief Executive Officers supervision, all of which must be under the principle of laws and the article of association of the Company;

4. To perform other duties as assigned by the Board of Directors and / or the Executive Committee on a case-by-case basis;
5. To proceed with and approve the employment or acceptances of projects or binding agreements in the Company's core business operation within a limit of Baht 15,000,000 per transaction or equivalent. This credit limit must conform to the approval by the Company through the Board of Directors. The credit limit is subject to change as found appropriate by the Board of Directors;
6. To have authority to issue, revise, add, and adjust regulations, orders and rules regarding the Company's operation, e.g., employment, appointment, and removal of officers and employees as well as setting salaries and other employee benefits and welfares.

The abovementioned authorities assigned to the Chief Executive Officer must be under the laws, rules, and regulations related to the Company's business. In a case where the Chief Executive Officer may enter into counter-parties benefits or may involve conflict of interests (according to the Notifications of the Securities Exchange Commissions and/or the Capital Market Supervisory Board and/or the Stock Exchange of Thailand), the Chief Executive Officer shall have no authorities to approve such case. The Chief Executive Officer must propose this matter to the Executive Committee and/or the Board of Directors for further review or approval.

Furthermore, connected transactions or transactions relating to acquisitions or dispositions of the Company's or the subsidiaries' assets, whichever the case may be, according to the Notification of the Stock Exchange of Thailand, must be approved by the shareholders' meeting and/or any other actions as stated in that Notification in order to follow the rules of the Stock Exchange of Thailand in that case.

Scope of duties and responsibilities of the Managing Director

1. To manage the Company's normal business operation;
2. To carry out operation according to the Company's business policies, business plans, and business strategies approved by the Board of Directors;
3. To authorize or assign any other individuals under an approval of the Managing Director to perform duties on behalf of the Managing Director in some necessary and appropriate matters under the Managing Director's supervision, all of which must be under the principle of laws and the article of association of the Company;
4. To perform other duties as assigned by the Board of Directors and / or the Executive Committee on a case-by-case basis;
5. To perform and approve employment or acceptances of projects or binding agreements in the Company's normal business operation within a limit of Baht 10,000,000 per transaction or equivalent. This credit limit must conform to the approval by the Company through the Board of Directors. The credit limit is subject to change as found appropriate by the Board of Directors;
6. To have authority to issue, revise, add, and adjust regulations, orders and rules regarding the Company's operation, e.g., employment, appointment, and removal of officers and employees as well as setting salaries and other employee benefits.

The abovementioned authorities assigned to the Managing Director must be under the laws, rules, and regulations related to the Company's business. In a case where the Managing Director may enter into counter-parties benefits or may involve conflicts of interests (according to the Notifications of the Securities Exchange Commissions and/or the Capital Market Supervisory Board and/or the Stock Exchange of Thailand), the Managing Director shall have no authority to approve such case. The Managing Director must propose this matter to the Executive Committee and/or the Board of Directors for further review or approval.

Furthermore, connected transactions or transactions relating to acquisitions or dispositions of the Company's or the subsidiaries' assets, whichever the case may be, according to the Notification of the Stock Exchange of Thailand, must be approved by the shareholders' meeting and/or any other actions as stated in that Notification in order to follow the rules of the Stock Exchange of Thailand in that case.

- **Company's Secretary**

The Board of Directors appointed Mr.Wiroj Bunsirirunguang as the Company's secretary, effective from 25 January 2009.

- **Remuneration for Directors and Management**

- **Cash remuneration**

In 2015 the remuneration was carefully determined by the meetings of the Nomination and Remuneration Committee. The following amounts of remuneration were approved by 2015 Annual General Meeting of Shareholders held on 27 April 2015.

1. **Monthly remuneration**

Board of Directors

Chairman	60,000	Baht
Directors	30,000	Baht

Sub-committees

Chairman	30,000	Baht
Committee member	20,000	Baht

At present the Company's sub-committees consist of Executive Committee, Audit Committee and Nomination and Remuneration Committee. Committee members who are also members of the Company's Board of Directors receive remuneration for the position of director as well.

2. **Gratuities for Directors for 2014 performance**

The amount did not exceed Baht 1.5 million. The amount was allocated based on the decision of the Nomination and Remuneration Committee.

A) **Directors' remuneration**

In 2015 the remuneration of directors consisted of meeting allowances and annual gratuities for 2014:

Names	Position	Remuneration Amount (Baht)					
		Directors	Executive Committee Members	Audit Committee Member	Nomination Remuneration and Committee	Gratuities	Total
Mr.Somrit Srithongdee	Chairman of Board of Directors and Chairman of Nomination and Remuneration Committee	720,000	-	-	360,000	202,400	1,282,400
Mr.Poomchai Wacharapong ^{/4}	Director and Chief Executive Office	360,000	180,000	-	-	162,200	702,200
Mr.Somboon Cheewasutthanon ^{/4}	Director and Executive Committee Member	360,000	120,000	-	-	162,200	642,200
Mr.Pattanapong Nuphan	Director and Executive Committee Member	360,000	240,000	-	-	162,200	762,200
Mr.SansritYenbamrung ^{/1}	Director and Executive Committee Member	360,000	240,000	-	-	108,100	708,100
Mr.Nuttawit Boonyawat ^{/1}	Director and Executive Committee Member	360,000	240,000	-	-	108,100	708,100
Mr.Akarat Na Ranong	Independent Director and Chairman Audit Committee	360,000	-	360,000	-	162,200	882,200
Mr.Nuttawut Phowborom	Independent Director, Audit Committee Member, Nomination and Remuneration Committee Member	360,000	-	240,000	240,000	162,200	1,002,200
Mr.Kamol Ratanachai	Independent Director, Audit Committee Member, Nomination and Remuneration Committee Member	360,000	-	240,000	240,000	162,200	1,002,200
Mrs.Siripen Sasinmanop ^{/3/4}	Executive Committee Member	-	120,000	-	-	-	120,000
Mr.Wiroj Bunsirirungruang ^{/3/4}	Executive Committee Member	-	120,000	-	-	-	120,000
Mrs.Wachanee Watanathawanwong ^{/2}	Director and Executive Committee	-	-	-	-	54,100	54,100
Mr.Chakrapun Leelamasavat ^{/2}	Director and Executive Committee Member	-	-	-	-	54,100	54,100
Total		3,600,000	1,260,000	840,000	840,000	1,500,000	8,040,000

- Note ^{/1} Mr.SansritYenbamrung and Mr.Nuttawit were appointed as directors and members of Executive Committee on 28 April 2014 to replace Mrs.Wachanee Watanathawanwong and Mr. Mr. Chakrapun Leelamasavat who had completed their terms.
- ^{/2} Mrs.Wachanee Watanathawanwong and Mr. Chakrapun Leelamasavat received Gratuities for 2014 performance, based on the length of their terms.
- ^{/3} Mrs.Siripen Sasinmanop and Mr.Wiroj Bunsirirungruang were appointed as Executive Committee Members on 28 April 2014
- ^{/4} Four members of Executive Committee have refused to receive meeting allowance since July 2015 in order to take management responsibility.

B) Remuneration for the Company's management

As for the remuneration of the Company's management (based on the definition given by the SEC and the SET, management includes Chief Executive Office, Managing Director, four top management members and management equivalent to the fourth rank management), in 2015, the Company and its subsidiaries paid remuneration consisting of salaries and bonuses to a total of ten members of the management (including two management members as defined by the market, i.e., Mr.Chatchai Thaowongsa and Mr.Sarawut Kaewpradap who were appointed during the year) for the total amount of Baht 38.90 million.

• Other benefits

- 1) The Company established a provident fund, with the employees' contribution of three percent of their total income during the first five years and the same portion contributed by the Company. The provident fund was managed by an authorized fund and followed the Provident Fund Act B.E. 2558. The Company's contribution for ten management members totaled of Baht 1.10 million.
- 2) Other benefits for management included medical allowances, medical check-up, life insurance premiums for the total of Baht 0.34 million.

• Personnel

In 2015, the Company and its subsidiaries had a total of 634 personnel, with the total benefit packages amounting to Baht 37.92 million, including salaries, overtime payment, bonuses, medical allowance, contributions to the provident fund, life insurance premium and etc. Meanwhile, the subsidiaries paid the similar personnel remuneration of Baht 108.83 million and paid compensation for employees at Baht 0.41 million.

Total Employees

As of 31 December 2015	TV program production	TV commercial Production	Equipment Rental Service	Event Organizing	Printing Business	Post - Production Business
Management	-	-	2	-	-	1
Supervisors	17	1	36	1	9	3
Operation	61	2	454	8	32	7
Total	78	3	492	9	41	11

Detail of the Board of Director, the executive and the Authorized Persons and Secretary the Company

as of 31 December 2015

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
1. Mr. Somrit Srihongdee - Chairman of the Board ^{/1} - Chairman of Nomination And Remuneration Committee	66	<ul style="list-style-type: none"> • Master's Degree of Public Administration, Chulalongkorn University • Bachelor's Degree of Sociology & Anthropology, Chiangmai University • Certificate, Roles of Compensation Committee (2007) : IOD • Certificate, Director Certification Program (2008) : IOD • Certificate, Financial Statements for Directors :IOD 	-0-	None	2010 - Present	- Chairman of the Board Of Director	Matching Maximize Solution PCL.
					2013 - Present	- Chairman of Nomination and Remuneration Committee	
					2015 - Present	- Chief Executive Officer - President	HR Pro Guard Co., Ltd.
					2010 - Present	- Chairman	HR Professional Consulting and Services Co., Ltd.
					2010 - 2012	- Human Resources Consultant	Bangkok Broadcasting and Television Co., Ltd.
2. Mr.Poomchai Wacharapong - Director ^{/1} - Chief Executive Officer - Chairman of the Executive Committee	57	<ul style="list-style-type: none"> • Master (Economics) North Texas State University, U.S.A. • Certificate, Senior Executive Program (SEP), Sasin Graduate Institute of Business Administration of Chulalongkorn University • Certificate, Director Certification Program (2008) : IOD • Certificate, Roles of the Chairman Program (2008) : IOD 	-0-	- None -	2009 - Present	- Independent Director and Audit Committee	Eastern Star Real Estate PCL.
					Jan 2014 - Present	- Director - Chief Executive Officer - Chairman of the Executive Committee	Matching Maximize Solution PCL.
					Mar 2015 - Present	- Director	Baansuay Group (Suratthani)
					July 2014 - Present	- Director	Time Lapse Co., Ltd. Transformation Film Co., Ltd.

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
					Feb 2014 - Present	- Director	Matching Studio Plus Co., Ltd. Matching Entertainment Co., Ltd. Book Maker Co.,Ltd. Matching Broadcast Co., Ltd. Gear Head Co.,Ltd.
					Jan 2014 - Present	- Director	HR Professional Consulting & Service Co., Ltd.
					Aug 2013 - Present	- Director	TV Digital HR Co., Ltd.
					Dec 2012 - May 2015	- Chairman	Aimpack (Thailand) Co., Ltd.
					Oct 2010 - Present	- Director	Grand Lanluang Co., Ltd.
					Apr 2012 - Dec 2013	- Senior Banker	Bank of Ayudhya PCL.
					Jan 2009 - June 2012	- Credit Committee Member	
					June 2007 - Feb 2010	- Executive Committee Member	
					June 2007 - June 2012	- Risk Management Committee Member	
					Jan 2007 - Mar 2012	- Head of SME Banking	
					May 2005 - Dec 2013	- First Executive Vice President	
					Feb 2007 - Apr 2009	- Director	Krungsri Factoring Co., Ltd. (Formerly Ayudhya Factoring Co., Ltd.)
					Dec 2006 - Dec 2008	- Director	Ayudhya Capital Lease Co., Ltd.

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
3. Mr.Somboon Cheewasutthanon ^{/1} - Director - Executive Committee - Managing Director	49	<ul style="list-style-type: none"> Bachelor of Accountancy Finance, University of the Thai Chamber Of Commerce Certificate, Director Accreditation Program (2005) : IOD Certificate, Director Certification Program (2011) : IOD 	0.07 %	-None-	Feb 2012 - Present	- Director - Managing Director - Executive Committee	Matching Maximize Solution PCL.
					Feb - June 2012	- Chairman of the Executive Committee	
					Nov 2011 -	- Senior Executive Vice President	
					Feb 2012	(Group of Business Affiliate)	
					June 2010 -	- Senior Executive Vice Presidents	
					Nov 2011	(Group of Business Support)	
					2002 -	- Director	
					Mar 2010	- Senior Executive Vice President	
						(Group of Business Support)	
					July 2014 - Present	- Director	Time Lapse Co., Ltd.
					2003 - Present	- Director	Book Maker Co., Ltd.
					2003 - Sep 2014	- Director	Matching Movie Town Co., Ltd.
					2003 - Jan 2014	- Director	Goody Film BKK Co., Ltd.
					2002 - Present	- Director	Matching Studio Plus Co., Ltd.
							Matching Broadcast Co., Ltd.
					1999 - Present	- Director	Matching Entertainment Co., Ltd.
					1994 - Present	- Director	Gear Head Co.,Ltd.

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
4. Mr.Pattapanong Nuphan ^{/1} - Director - Executive Committee	50	<ul style="list-style-type: none"> MA in Sociology Thammasat University BBA Finance Bangkok University BA in Political Ramkhamhaeng University Certificate, Director Certification Program : IOD Certificate, Director Accreditation Program : IOD 	-0-	-None-	2008 - Present	- Director - Executive Committee	Matching Maximize Solution PCL.
					Jan 2016 - Present	- Assistant Managing Director - Acting Manager, Office of the Executive Director	Bangkok Broadcasting & TV Co., Ltd.
					Mar 2015 - Dec 2015	- Assistant Managing Director	
					May 2014 - Feb 2015	- Assistant Managing Director - Acting Manager, Program Production Department	
					Jan 2013 - Apr 2014	- Assistant Managing Director	
					Apr 2012 - Present	- Director	Razorfish & Partner Co., Ltd.
					2009 - Present	- Director	BBTV New Media Co.,Ltd.

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
5. Mr.Nuttawit Boonyawat - Director - Executive Committee	53	<ul style="list-style-type: none"> • Master of Science Abilene Christian University Texas, USA. • Certificate, Senior Executive Program (SEP), Sasn Graduate Institute of Business Administration of Chulalongkorn University • Bachelor of Art The University of the Thai Chamber of Commerce • Certificate, Director Accreditation Program (2005) : IOD 	-0-	-None-	Apr 2014- Present	- Director - Executive Committee	Matching Maximize Solution PCL.
					Feb 2015 - Present	- Director	Home Sukhumvit Co.,Ltd.
					2015 - Present	- President Advisor - Chief Executive officer	Bank of Ayudhya PCL.
					2013 - 2015	- First Executive Vice President - Corporate Credit Risk Division - SME Credit Risk Division	
					2010 - 2013	- First Executive Vice President and Acting Manager, Collateral Valuation Department - Corporate Credit Risk Division - SME Credit Risk Division	
					2007 - 2010	- First Executive Vice President - Corporate Credit Risk Division, - SME Credit Risk Division	

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
6. Mr. Sansrit Yenbarnrung - Director - Executive Committee	57	<ul style="list-style-type: none"> Master of Business Administration in International Trade University of Texas at Sul Ross, U.S.A. Bachelor of Engineering Khon Kaen University 	-0-	-None-	Apr 2014 - Present	- Director - Executive Committee	Matching Maximize Solution PCL.
					Feb 2015 - Present	- Chairman - Director	Home Sukhumvit Co., Ltd.
					Apr 2014 - Present	- Director	Media Studio Co., Ltd.
					Aug 2013 - Present	- Chairman - Chief Executive Officer	TV DIGITAL HR Co.,Ltd.
					Dec 2004 - Present	- First Executive Vice President	Bank of Ayudhya PCL.
					Sep 2002 - Nov 2004	- Executive Vice President	
					Sep 2002 - Present	- Chief Executive Officer	Krungsri Ayudhya AMC Co., Ltd.

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
7. Mr.Akarat Na Ranong - Independent Director - Chairman of the Audit Committee	61	<ul style="list-style-type: none"> • Master's Degree ,Business Administration (Management), Marshall University, USA. • Bachelor's Degree, Economics, Chulalongkorn University • Certificate, Audit Committee Program (2004) : IOD • Certificate, Director Accreditation Program (2007) : IOD • Certificate, Role of the Compensation Committee (2007) : IOD • Certificate, Director Certification Program (2013) : IOD • Certificate, Leader Program, Capital Market Academy (Class 6) (2008) 	-0-	-None-	2010 - Present	- Independent Director - Chairman of the Audit Committee	Matching Maximize Solution PCL.
					2015 - Present	- Independent Director - Chairman of the Audit Committee	KPN Acedemy Co., Ltd.
					2013 - Present	- Director	Evolution Capital PCL.
					2011 - Present	- Independent Director - Audit Committee	FINANSA PCL.
					2011 - Present	- Independent Director - Audit Committee	FINANSA Securities Limited
					2001 - Present	- Independent Director - Chairman of Audit Committee - Nominating and Remuneration Committee - Corporate Governance Committee	Krunghthai Card PCL.
					2011 - 2013 2010 - 2011	- Lecturer - Associate Dean for Resources Development	College of Music, Mahidol University

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
8. Mr. Nuttawut Phowborom - Audit Committee - Independent Director - Nomination and Remuneration Committee	50	<ul style="list-style-type: none"> Master of Business Administration (MBA), General Management, City University, Seattle, WA, USA. Bachelor Degree of Economics, The University of the Thai Chamber of Commerce, Bangkok, Thailand Certificate, Director Accreditation Program (2004) : IOD Certificate, Audit Committee Program (2005) : IOD Certificate, Role of the Compensation Committee (2008) : IOD 	-0-	-None-	2013 - Present	- Nomination and Remuneration Committee	Matching Maximize Solution PCL.
					2010 - Present	- Independent Director - Audit Committee	
					2015 - Present	- Chairman	Wind Energy Holding Co., Ltd.
					2015 - Present	- Director	KPN Healthcare PCL.
					2014 - Present	- Vice Chairman - Director	KPN Academy Co., Ltd.
					Apr 2013 - Present	- Independent Director - Audit Committee	Finansa PCL.
					2011 - Present	- Independent Director - Audit Committee	Thai Air Asia Co., Ltd.
					2011 - Present	- Independent Director - Audit Committee	Asia Aviation PCL.
					2002 - Present	- Chief Executive Officer - Chief Financial Officer	KPN Group Corporation Limited
					1998 - Present	- Executive Director	KPN Music Co., Ltd.
					2003 - 2012	- Audit Committee	Prasit Pattana PCL.
					2003 - 2012	- Independent Director - Chairman of the Remuneration Committee	Phayathai Hospital 1, 2, 3

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
9 Mr. Kamol Ratanachai - Independent Director - Audit Committee - Nomination and Remuneration Committee	49	<ul style="list-style-type: none"> Master of Business Administration (MBA), Bangkok University Bachelor Degree of Accounting, Bangkok University Certified Internal Auditor (CIA), The Institute of Internal Auditor U.S.A. Certificate, Director Accreditation Program (2008) : IOD Certificate, Audit Committee Program (2009) : IOD Certificate, Successful Formulation & Execution of Strategy (2012) : IOD Certificate, How to Measure the Success of Corporate Strategy (2013) : IOD Certificate, Anti-Corruption : The Practical Guide (2015) : IOD 	-0-	None	2013 - Present	- Nomination and Remuneration Committee	Matching Maximize Solution PCL.
					2010 - Present	- Independent Director - Audit Committee	
					June 2015 - Present	- Deputy Chief Executive Officer (Internal Audit)	KPN Academy Co., Ltd.
					July 2014 - Present	- Independent Director	Time Lapse Co., Ltd.
					May 2014 - Present	- Independent Director - Audit Committee	Eastern Power Group PCL.
					July 2012 - Present	- Independent Director	Gear Head Co., Ltd.
							Matching Entertainment Co., Ltd.
							Book Maker Co., Ltd.
							Matching Broadcast Co., Ltd.
							Matching Studio Plus Co., Ltd.
					July 2012 - Sep 2014	- Independent Director	Matching Movie Town Co., Ltd.
					July 2012 - Jan 2014	- Independent Director	Goody Film BKK Co., Ltd.
					2011 - Present	- Independent Director	Siracha Construction PCL.
					2011 - Apr 2014	- Audit Committee - Independent Director	Eastern Printing PCL.
					2013 - Present	- Senior Vice President Head of Internal Audit	Secondary Mortgage Corporation
					2010 - 2013	- Vice President. Head of Internal Audit	

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
10. Mr. Montri Yoosomboon - Executive Committee	49	<ul style="list-style-type: none"> Lighting System Training Course, Mole Richardson Co., Ltd, USA Lens Maintenance Training Course, Carl Zeiss Factory Co., Ltd. Germany Film Camera Training Course, ARI Factory, Germany Vocational Certification Phitsanulok Technical College Certificate, Director Certification Program (2011) : (IOD) 	0.00 %	Brother of Mrs. Sirpen Sasinmanop	Dec 2015 - Present	- Executive Committee	Matching Maximize Solution PCL.
					Sep 1997 - Present	- Director	Gear Head Co., Ltd.
					1996 - 1997	- Camera Technician Specialist	Birn and Sawyer Co.,Ltd. Hollywood, California USA
					1996	- Lens Specialist	Focus Optics, Burbank, California, USA
					1990 - 1996	- Head of Camera Department and Training Department	Camera Corner Co.,Ltd.
11. Mr. Thanisaphong Sasinmanop ² - Senior Executive Vice President	58	<ul style="list-style-type: none"> Honorary Degree of Technology Major Photography and Cinematography Technology, Faculty of Mass Communication Technology, Rajamangala University of Technology Thanyaburi 	1.86 % ²	Husband of Mrs. Sirpen Sasinmanop	1989 - 1990	- Camera Technician	Siam Studio Co.,Ltd.
					Nov 2011 - Present	- Senior Executive Vice President (Service and Renting of Equipment)	Matching Maximize Solution PCL.
					Jul 2012 - Dec 2013	- Director - Chairman of Executive Committee	
					2002 - Oct 2011	- Senior Executive Vice President (TV Commercial)	
					2002 - 2010	- Director	
					2003 - Sep 2014	- Director	Matching Movie Town Co., Ltd.
					2002 - Present	- Director	Matching Studio Plus Co., Ltd. Matching Broadcast Co., Ltd.

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
12. Mr.Wiroj Boonsitirunguang - Executive Committee - Senior Executive Vice President (Organization Management and Business support) - Secretary the Company					1999 - Present	- Director	Matching Entertainment Co., Ltd.
					1994 - Present	- Director	Gear Head Co., Ltd.
					2001 - Oct 2012	- Director	Fatman and Little Boy Co., Ltd.
	48	<ul style="list-style-type: none"> • Master of Accounting Thammasat University • Bachelor of Accounting Dhurakij Pundit University • Certificate , Director Certification Program (2005) : IOD • Certificate , Director Accreditation Program (2005) : IOD • Certificate , Company Secretary Program (2011) : IOD 	0.02 %	- None -	Apr 2014 - Present	- Executive Committee	Matching Maximize Solution PCL.
					Mar 2014 - Present	- Senior Executive Vice President (Organization Management and Business Support)	
					2002 - Feb 2014	- Executive Vice President (Organization Management and Business Support)	
					2002 - Mar 2010	- Director	
					July 2014 - Present	- Director	Time Lapse Co., Ltd.
					2003 - Present	- Director	Book Maker Co.,Ltd. Matching Studio Plus Co.,Ltd. Matching Broadcast Co.,Ltd. Matching Entertainment Co.,Ltd. Gear Head Co.,Ltd.
					2003 - Sep 2014	- Director	Matching Movie town Co.,Ltd.
					2003 - Jan 2014	- Director	Goody Film BKK Co.,Ltd.

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
13. Mrs.Siripen Sasinmanop ¹² - Executive Vice President (Services and Renting of Equipment)	61	<ul style="list-style-type: none"> Management Development Program Thammasat University Certificate , Director Certification Program : IOD Certificate , Director Accreditation Program : IOD 	1.86 %	Wife of Mr. Thanisaphong Sasinmanop And Sister Mr.Montri Yoosomboon	Apr 2014 - Present	- Executive Committee	Matching Maximize Solution PCL.
					Nov 2011 - Present	- Executive Vice President (Services and Renting of Equipment)	
					2002 - July 2012	- Director and Executive Committee	
					2003 - Sep 2014	- Director	Matching Movie Town Co., Ltd.
					2003 - Jan 2014	- Director	Goody Film BKK Co. Ltd.
					2002 - Present	- Director	Matching Studio Plus Co., Ltd.
							Matching Broadcast Co., Ltd.
					1999 - Present	- Director	Matching Entertainment Co., Ltd.
					1994 - Present	- Director	Gear Head Co., Ltd.
					2004 - Nov 2012	- Director	Matching Television Co., Ltd.
14. Mrs. Ladawan Khumsap - Senior Vice President	48	<ul style="list-style-type: none"> Master of Accounting Thammasat University Bachelor of Accounting Ramkhamhaeng University 	0.02 %	-None-	2013 - Present	- Senior Vice President	Matching Maximize Solution PCL.
					2005 - 2012	- Vice President Accounting and Budgeting Dep.	

Name-Last Name /Position	Age (years)	Education	Percentage of Shareholding	Relationship with the other Executive	Working Experience		
					Period	Position	Company
15. Mr.Natpatsakorn Jankhod - Senior Vice President	44	<ul style="list-style-type: none"> Bachelor Degree of business Administration Ramkhamhaeng University 	0.01 %	-None-	2013 - Present	- Senior Vice President of Office Management Dep. and Human Resource Dep.	Matching Maximize Solution PCL.
					Sep 2007 - 2012	- Vice President	
					June - Aug 2007	- Purchase Officer	
					Apr 2004 - May 2007	- Human Resource Officer	
16. Miss. Usa Wannamolee - Senior Vice President	54	<ul style="list-style-type: none"> Master of Business Administration Ramkhamhaeng University Bachelor Degree of University Thai Chamber of Commerce 	-0-	-None-	Mar 2014 - Present	- Senior Vice President of Finance Dep., IT Dep. Legal Dep.and AR Dep.	Matching Maximize Solution PCL.
					Feb 2014	- Branch Manager Map Ta Phut	
					Jan 2013 - Jan 2014	- Branch Manager Central Festival Pattaya Beach	
					Feb 2007 - Dec 2013	- Branch Manager Chachoengsao	
17. Mr.Sarawut Kaewpradap - Senior Vice President	40	<ul style="list-style-type: none"> Bachelor Degree of Masscommunication RamkhamHaeng University 	-0-	-None-	June 2015 - Present	- Senior Vice President of TV Production Dep.	Matching Maximize Solution PCL.
					Sep 2010 - May 2015	- Manager of TV Production Dep.	
					Jan 2001 - Sep 2010	- Senior Producer of TV Production Dep.	
					June 2015 - Present	- Senior Vice President of Marketing Dep.	
18. Mr.Chatchai Thaowongsa - Senior Vice President	46	<ul style="list-style-type: none"> Bachelor Degree of business Administration (Market) RamkhamHaeng University 	-0-	-None-	Nov 2003 - May 2015	- Manager of Marketing Dep.	Matching Maximize Solution PCL.

Note ^{/1} Directors whose signature can bind the Company

^{/2} Including shares held by spouse and minor children (as of December 31, 2015)

Corporate Governance

1 Sub-Committees

Company's management structure composes of three sub-committees: Executive Committee, Audit Committee and Nomination and Remuneration Committee.

1.1 Executive Committee

As of 31 December 2015, the Executive Committee was comprised of the following eight Members:

	Name	Position
1.	Mr.Poomchai Wacharapong	Chef Executive Office
2.	Mr.Pattanapong Nuphan	Executive Office Member
3.	Mr.Sansrit Yenbamrung	Executive Office Member
4.	Mr.Nuttawit Boonyawat	Executive Office Member
5.	Mr.Somboon Cheewasutthanon	Executive Office Member
6.	Mrs.Siripen Sasinmanop	Executive Office Member
7.	Mr.Wiroj Bunsirungruang	Executive Office Member
8.	Mr. Montri ^{/1} Yoosomboon	Executive Office Member

Note ^{/1} Mr. Montri Yoosomboon was appointed as an Executive Office Member on 17 December 2015

Scope of duties and responsibilities of the Executive Committee

- To propose to the Board of Directors to consider approving:
 - goals
 - business policies
 - business plans
 - business strategies
 - management power
 - annual budget
 - risk management policies
 - scope, power and responsibilities of the managing director
 - other matters that may have significant impacts on the company's operation
 - other matters that the Executive Committee views that they are necessary to be proposed for approval or that they are relevant to the rules set by the Company's Board of Directors
- To ensure that the Company's operation is in line with the Company's business policies, business plans as well as business strategies approved by the Company's Board of Directors
- To control and oversee the Company's business policies, business plans, business strategies as well as earnings performance of the subsidiaries
- To approve the borrowing or credit applications to finance the Company's normal business operation and also to act as a guarantor when taking out some loans: the Executive Committee

is also responsible for making any payments to smooth out Company's normal business operation. The credit approval per transaction shall not exceed Baht 20,000,000 or equivalent. Such credit approval limit shall conform to the limit approved by the Board of Directors. However, this credit approval limit is subject to change as appropriate, under the Board of Directors' consideration.

5. To review and approve liquidity management for various transactions including deposits, B/Es, government bonds, mutual funds for the amount not exceeding Baht 30,000,000 million; and to review deposit transaction reports prepared by the financial management department
6. To set the Company's organization and management structure including recruitment, training, employment and termination of employment contracts
7. To consider investment in projects or securities or joint venture deals as approved by the Company's Board of Directors
8. To perform other duties as occasionally assigned by the Board of Directors

However, in any transaction that may result in a conflict of interest or personal benefits of any members of the Executive Committee (according to the Notification of the SEC), the Executive Committee shall propose the transaction to the Board of Directors for further approval. A particular member of the Executive Committee with possible conflicts of interests shall not have a voting right in the Board of Director's meeting regarding that transaction.

1.2 The Audit Committee

In 2015, the Audit Committee comprised the following three independent members:

- | | | | |
|----|-------------|------------|-------------------------------------|
| 1. | Mr.Akarat | Na Ranong | Chairman of Audit Committee |
| 2. | Mr.Nuttawut | Phowborom | Director and Audit Committee Member |
| 3. | Mr.Kamol | Ratanachai | Director and Audit Committee Member |

Terms and Appointment of members of Audit Committee

The Board of Directors appoints three independent directors to be the members of the Audit Committee. At least one of the three independent directors must possess knowledge and experience in accounting and finance. The members of audit committee must be independent as stated in the rules and regulations concerning qualifications and scope of duties and responsibilities of the Audit Committee set by the Stock Exchange of Thailand. The members of Audit Committee shall serve the term of three years. Once the term is completed, they shall be re-elected but they shall not remain in the position more than two consecutive terms, except for the case that the Company's Boards of Directors view differently. The Audit Committee reports directly to the Board of Directors and their scope of duties and responsibilities, as stated in the charter of the Audit Committee, are reviewed and adjusted at least once annually. In case a position of Audit Committee member is vacant due to other reasons, apart from the normal term completion, the Board of Directors shall appoint a qualified individual to fill in the vacancy within 90 days. The replacement shall be in the position only for the remaining duration of the successor.

Scope of duties and responsibilities of the Audit Committee

The Audit Committee has duties and responsibilities according to the rules and regulations of the Stock Exchange of Thailand B.E 2551 which became effective from 1 July 2008 onwards. The duties and responsibilities are as follows:

1. To review the financial statements, ensuring that they are accurate and adequate
2. To review the Company's internal control system and internal audit system and make sure that they are sufficient and effective; to review and approve the charters of the internal organization, business plans and budget; to ensure the independence of the internal audit department; to give opinions concerning appointments, transfers, and employment termination of the heads of internal audit department or of any other departments overseeing internal audit activities
3. To review the Company's operations and make sure that they conform to the rules and regulations of the Stock Exchange of Thailand, and any other laws related to the Company's business operation
4. To consider proposing an independent person as the Company's auditor as well as proposing the remuneration of the Company's auditor; and to attend the meetings with the auditor, without the presence of the management, at least once a year
5. To review connected transactions or some transactions that may cause conflicts of interest in order to ensure that those transactions are in compliance with the regulations of the Stock Exchange of Thailand; and to make sure that those transactions are justified and most beneficial to the Company
6. To prepare Audit Committee Report included in the Company's annual report; the report must be signed by the Chairman of the Audit Committee and at least contain the following details:
 - a) Opinions concerning accuracy, adequacy and reliability of the Company's financial reports
 - b) Opinions concerning sufficiency of the Company's Internal Control
 - c) Opinions whether the Company follows the laws related to securities and the stock market, regulations of the stock market and the laws related to the Company's business
 - d) Opinions whether the Company's auditor is qualified
 - e) Opinions concerning some transactions that may cause conflicts of interest
 - f) Opinions in regard to the number of the Audit Committee meetings and the attendance of each member
 - g) Opinions or overall notes that the Audit Committee receives from the charter-based operation
 - h) Other matters that should be disclosed to the shareholders and investors under the scope of responsibilities assigned by the Board of Directors
7. To perform other duties as assigned by the Board of Directors and approved by the Audit Committee
8. To review the Company's risk management and ensure effective risk management
9. To report performances of the Audit Committee to the Board of Director at least four times a year
10. To be empowered to hire advisors or outsiders, as stated by the Company's regulations, to provide opinions or consultancy as necessary
11. To be empowered to invite directors, management, heads of departments or the Company's employees to discuss or answer the Audit Committee's questions
12. To review the scope of responsibilities and evaluate the annual performance of the Audit Committee

13. Should the Audit Committee find that the following matters may have significant impacts on the Company's financial statement as well as its operating performance, the Committee will report to the Board of Directors in order to reconsider or improve the matters within the set timeframe, as found appropriate by the Audit Committee.
 - a) Transactions involving conflicts of interests
 - b) Corruptions or unusual matters or significant mistakes of the internal control system
 - c) Violation of the laws concerning rules and regulations of the Stock Exchange of Thailand, and any other laws related to the Company's business operation
14. In case the auditor finds some unusual matters that may indicate that the Chief Executive Officer, Managing Director or any individuals in charge of the Company's operation violate the laws, the auditor should notify the Audit Committee for immediate scrutiny. The preliminary scrutiny result should be submitted to the Securities and Exchange Commission and the auditor within 30 days, starting from the date the auditor reports such suspicious matters. The suspicious matters and the scrutiny procedures should be in accordance with the regulations of the Capital Market Supervisory Board.
15. To review and amend the charter of the Audit Committee as well as the reference once a year; and to propose the amended charter of the Audit Committee to the Board of Directors for approval

Note that the aforementioned scopes of power of the Audit Committee do not include the power that enables a member of Audit Committee or an authorized representative for that member to express opinions about any cases that the particular member of the representative or the persons with connected transactions (as announced by the Securities and Exchange Commission and/or the announcement of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand) may have conflicts of interests with the Company, its subsidiaries and concerned companies

1.3 Nomination and Remuneration Committee

The Board of Director meeting No. 1/2013 on 25 January 2013 resolved that the Company set the Nomination and Remuneration Committee to select and nominate qualified individuals to be elected as new directors. The Committee has a responsibility of setting policies and criteria to select, and nominate persons to be the Company's directors, members of sub-committees and top executive as well directors for subsidiaries for which the Company holds shares of at least 50 percent. In addition, the Nomination and Remuneration Committee also has the responsibility to consider approving the amount of appropriate remuneration for the Company's directors and management.

As of 31 December 2015 the Nomination and Remuneration Committee consisted of three members:

	Name		Position
1.	Mr.Somrit	Srithongdee	Chairman of Nomination and Remuneration Committee
2.	Mr.Nuttawut	Phowborom	Nomination and Remuneration Committee Member
3.	Mr.Kamol	Ratanachai	Nomination and Remuneration Committee Member

Scope of duties and responsibilities of the Nomination and Remuneration Committee

1. Determining of policies, regulations and procedure guidelines

- 1.1. Determine policies, regulations, and guidelines for selection and nomination of the Company's directors, sub-committee members as well as top management officers, e.g., the Chief Executive Officer, Managing Director, Deputy Managing Director, and Assistant Managing Director.
- 1.2. Determine policies, regulations, and guidelines for selection and short-listing of qualified individuals to be directors or hold other equivalent positions at the companies that the Company holds stake at least 50 percent; and/or select suitable persons from those companies to take a role for such positions.
- 1.3. Determine policies on remuneration and other benefits as well as other packages for directors, sub-committee members and top management members of the Company including the position of managing director and equivalent positions in the companies where the Company holds stake at least 50 percent.

2. Selection or nomination of qualified individuals

The Committee is to select or nominate qualified individuals and propose those nominated persons to the Company's Board of Directors, for the following positions:

- 2.1. Directors
- 2.2. Members of sub-committees that report directly to the Board of Directors
- 2.3. Management members, including Chief Executive Officer and/or Managing Director, Deputy Managing Director, Assistant Managing Director, as well as those in the same positions at any companies where the Company holds stake at least 50 percent.

3. Review of remuneration

The Committee is to ensure that the Company's directors, sub-committee members, management members, i.e., Chief Executive Office and/or Managing Director, Deputy Managing Director, and Assistant Managing Director, receive suitable remuneration packages in accordance with their responsibilities as well as the Company's policies in line with peers in the industry. Any director with greater responsibilities shall receive suitable remuneration packages accordingly.

4. Other responsibilities

- 4.1 To ensure that the size and composition of the Company's Board of Directors are suitable for the organization and the changing environment; The Board of Directors shall consist of individuals with knowledge, skills, abilities and extensive experience in various fields that would benefit the Company's corporate governance and operation.
- 4.2 Set guidelines for appraisal of the performance of Directors and management members including Chief Executive Officer and/or Managing Director, Deputy Managing Director, Assistant Managing Director in order to review the annual remuneration, based on scopes of responsibilities and relevant risks. The Committee shall also take into account the value addition for shareholders in the long term when appraising the performance.
- 4.3 Appraise performance of the Company's Directors, Chief Executive Officer, and/or Managing Director.

- 4.4 Complete succession plans for Chief Executive Officer and/or Managing Director as well as other management positions such as Deputy Managing Director and Assistant Managing Director.
- 4.5 Disclose the policies and report the performance of the Nomination and Remuneration Committee and include the details about remuneration packages in the Company's annual report.
- 4.6 Seek opinions from independent advisers who possess particular expertise with the expenses being responsible by the Company (e.g., surveys on remuneration of the Nomination and Remuneration Committees or management members of other companies in the industry, and etc).

2 Nomination and appointment of directors and management members

2.1 Independent Directors

The members of the Nomination and Remuneration Committee work together to review regulations and policies on nomination and appointment of the Company's independent directors, based on the qualifications specified by the Public Limited Company Act, Notifications of the Securities Commission, Notifications of Capital Market as well as other related regulations and qualifications, e.g., work experience, knowledge and skills. The Company has a policy to appoint at least one-third of the total directors and not less than three directors as the Company's independent directors.

Qualification of Independent Directors

1. Be appointed by the Company's Board of Directors or the Annual General Meeting of Shareholders
2. Possess qualifications as specified by the regulation about securities and stock market:
 - 1) Not holding shares in excess of one per cent of the total shares with the voting rights of the company, the parent company, subsidiaries, associated companies or related companies, which shall be inclusive of the shares held by related parties
 - 2) Having never been a director participating in management, an employee, a consultant with regular salary, or a person with power to control the company, except relieved from the aforesaid characteristics at not less than two years before submitting permission to the office. However, the prohibited characteristics do not include independent directors who used to work as civil servants or advisors to any government bodies holding major shareholding
 - 3) Not being a person of whole blood or registration as stated in the law, in the manner of being father or mother, spouse, brotherhood and offspring including spouse of the offspring of the management, other directors, major shareholders, persons with controlling power or persons to be proposed as the Company's directors or management or persons with controlling power on the Company or subsidiaries
 - 4) Not having business relation with the Company, the subsidiaries, the affiliates, the major shareholders or the persons with controlling power, in the manners that may obstruct the independent exercise of discretion; and not having been a significant shareholder
 - 5) Not being or having been an auditor of the Company, the subsidiaries, the affiliates, a major shareholder or a person with controlling power; not being a significant shareholder, an authorized person or partner of auditing offices whose auditors work for the Company, the subsidiary,

the affiliates, a major shareholder or a person with controlling power in the Company, except relieved from such characteristic at not less than two years before the date of submission for permission from the Securities and Exchange Commission

- 6) Not being or having been a professional provider of legal consulting or financial consulting services, with service fee exceeding Baht two million per annum, for the Company, the subsidiaries, the affiliates, major shareholder or a person with controlling power on the Company; not being a significant shareholder, a person with controlling power or a partner of the professional provider, except relieved from such characteristic at not less than two years before the date of submission for permission from the Office Securities and Exchange Commission
- 7) Not being a director appointed to be a representative of a director of the Company, a major shareholder or shareholders with a relation to the major shareholder
- 8) Not operating similar business or involving in significant business competition to the applicant or the subsidiary; not being a significant partner in a partnership company or not being a director, an employees, an advisor earnings regular salary; or not holding shares of over one percent of the total shares with the voting right in other companies that operate business similar or competing with business of the Company or subsidiaries
- 9) Not having other characteristics that will hinder independent opinions about the Company's operation
- 10) Being trusted and accepted in general
- 11) Having sufficient time to perform duties as a member of Audit Committee

An independent director may be assigned by the company's Board of Directors to make decision about matters related to the business operation of the Company, the subsidiaries, the affiliates, the subsidiaries of same level, the major shareholders or the persons with controlling power on the Company under the method of collective decision.

In case a person falls to the aforementioned Item 4 or 6, the Company's Board of Directors may be able to consider appointing that person as an independent director provided that the Board of Directors views that that the appointment of that person will not have an impact on the performance and independent opinion of that person. The following information must be included in the invitation letter of the Annual General Meeting of Shareholders for the agenda about the appointment of independent directors.

- 1) The details of business relation or profession services that disqualify the person as an independent director
- 2) Reasons and necessity for why the person is needed to be appointed as an independent director
- 3) Opinions of the Board of Directors in regard to the appointment of such person as an independent director

2.2 Nomination of Directors and Top Management

The Nomination and Remuneration Committee set policies and criteria to select and appoint the Company's Directors and proposes the names for an approval of the Board of Directors and/or an Annual General Meeting of Shareholders. A person to be appointed as the company's Director

shall possess qualifications as specified by the Public Limited Company Act B.E. 2535, regulations on securities and securities market, notifications of the Stock Exchange Commission, the notification of the Capital Market and other regulations linked other qualifications about knowledge, knowledge, and etc. According to the Company's regulation, the Company's Board of Directors consists of at least five members and at least half of the total members shall reside in the Kingdom of Thailand. In addition, the Company's Directors shall be elected by voting in the Annual General Meeting of Shareholders as the following details:

1. Each shareholder shall have one vote per share held by them
2. Each shareholder shall cast all of his/her votes in (1) for one or more candidates but shall not divide his/her voting rights amongst the candidates.
3. The candidates elected to fill up the vacant positions in the Board of Directors shall be selected in order of the number of votes received. In a case where there is a tie amongst candidates, the chairman of the meeting shall cast the deciding vote.

In every Annual General Meeting of Shareholders, one-third of directors have to leave the position. In case the number of directors remaining in the position for the same duration is higher than the number of directors that have to leave the position, such directors shall end in a draw. A director who is about to leave the position can be elected in the next term. In addition to completing the term, a director may leave the position by death, resignation, disqualification, prohibition by law, termination by the annual general meeting, or a court order.

Moreover, the Company's Directors are prohibited from operating similar business to compete with the Company's business. They are also prohibited from holding shares in partnership corporate or being directors of any companies doing the same businesses as the Company's and competing with the Company unless they inform such information to the annual general meeting prior to the appointment of directors.

3 Operational Control of the subsidiaries and affiliates

Matching Maximize Solution Co. Ltd. emphasizes the importance of management with the group; hence, it proposed that directors or management members of the Company be appointed as directors of the companies under umbrella in order to control and ensure that those companies run business and employ strategies in line with the Company. This is to maximize benefits and values for all groups of stakeholders. The representative directors report the performance to the Company's Board of Directors. Information is required to be disclosed as guided by the Company. Moreover, the Company also has the internal control and system development department to oversee the overall internal control system and report to management and directors, ensuring that the Company's control system is carried out in accordance with the guidance given by the Company's Board of Directors.

4 Internal Information Control

The Company has a policy not to allow its personnel to disclose internal information and personal benefits to outsiders. The Company has a policy to take care of the management, the details of which are as the follows:

1. To educate the directors and the management in all departments regarding the information about possession of assets of themselves, their spouses and children who do not reach their majority; to provide information about penalty stated in the Securities and Stock Exchange Act B.E. 2535 as well as regulations set forth by the Stock Exchange of Thailand
2. To require that the management report the changes of their asset holding to the Securities and Exchange Commission and the Stock Exchange of Thailand and submit a copy of the report to the Company on the same day they report to the Securities and Exchange Commission
3. To submit a report informing that the management who is aware of significant internal information (that may result in the change of the share price) shall suspend the trading of the Company's securities one month before the Company's financial statement or the internal information is disclosed to public; such management is not allowed to disclose significant information to outsiders

5 Remuneration for the Auditor

1. Audit Fee

The Company and its subsidiaries paid the audit fee to the audit office of the authorized auditor amounting Baht 2,000,000 in 2015.

2. Non-Audit Fee

The Subsidiary paid the other fee to the audit office of the authorized auditor amounting Baht 50,000 in 2015.

6 Corporate Governance

The Company's Board of Directors realizes and strongly believes that the good corporate governance principle will be a main factor to add values, enhance its competitiveness and create the highest returns to shareholders and all related parties in the long term. The Company completes and always updates the good corporate governance principle to be in compliance with the regulations of the Stock Exchange of Thailand, which are classified into five categories, with the details followed.

1. Board of Directors, management, and employees shall follow the good corporate governance principle with clear understanding.
2. Board of Directors, management, and employees shall treat stakeholders fairly and work with honesty and transparency for the benefits of the Company. The work of Board of Directors, management, employees can be scrutinized.

The good corporate governance principle for the Company's Board of Directors, management and employees for use as a guideline are discussed below.

1. The rights of shareholders

Shareholders have the rights as the owners of the company. They have the right to attend the Company's shareholder meetings that can determine the directions of the Company. The shareholders can make decisions about important matters in the shareholder meeting. The shareholder meetings are thus very important stages for the shareholders to raise questions and opinions as well as making decisions. Thus, they have the right to attend the meeting and be allocated sufficient time to consider and acknowledge related matters. In every shareholder's meeting, the Company's policy requires the Chairman of the

Board of Directors, Directors, Chief Executive Officer and Managing Director to attend the meeting. The chairman of the meeting shall allow shareholders to have the opportunity to make enquiries, express their opinions and suggestions to the directors in order to create the same understand and subsequent improvement. The minutes of meeting shall be recorded and approved by the Directors and sent to shareholders for approval in the next meeting.

2. Equal Treat to Stakeholders

Although the voting right of shareholders depends on the portion of stakeholding, this does not mean that the basic rights as stakeholders are different. The Company equally treated the stakeholders regardless of genders, ages, nationality, races, religions, belief, and political opinions. In the case that any stakeholders are unable to attend a meeting, they have the right to attend the meeting by proxy. In every shareholders meeting all shareholders have the rights and equality of receiving information, expressing opinions and asking questions, in accordance with the meeting agenda and the issues discussed in the meeting. The chairman of the meeting is responsible for allocating appropriate time to the shareholders to ask questions as well as encouraging them to express their opinions. Normally the shareholders are able to obtain the details of the meeting details and agendas from the Company's website prior to the meeting date. To promote the rights of the shareholders, the Company posts an announcement encouraging the shareholders to nominate a person to take the role of a director and suggest the additional meeting agendas for the Annual General Meetings of shareholders. In addition, the shareholders are also encouraged to express their ideas about clear operation guidelines.

The Company has a policy to hold an Annual General Meeting of Shareholders once a year within four months after the end of the previous fiscal year. In 2015, the Company held the Annual General Meeting of Shareholders on 27 April 2015 at Chamchuri Ballroom A, M Floor, Pathumwan Princess Hotel, No 444 Marboonkrong Center, Payathai Road, Wangmai Sub-district, Pathumwan District, Bangkok. In addition, the Company held Extraordinary Shareholder Meeting No 1/2015 on 29 October 2015, at Rajdamnern Hall, Royal Princess Lanluang Hotel, No. 269, Lanluang Rd, Pomprab, Bangkok. The meeting agenda was disclosed for the shareholders' review on the company's website within the day that the Board of Directors approved the meeting agenda so that all shareholders had a chance to review the details about the meeting as well as the meeting agenda prior to the meeting. Normally, the Company disclosed all details about the meeting, e.g., the meeting date, the meeting agenda, and etc, 21 days prior to the meeting date. The attendees included Chairman of the Board of Directors, Chairman of Audit Committee, directors and members of Audit Committee. The Board of Directors accommodates in all shareholder meetings by treating all shareholders equally, in terms of their right documentation. The Company appointed Thailand Securities Depository Co., Ltd. as the Company's registrar.

When the Company is about to arrange a shareholder meeting, it submits invitation letters that include: the meeting agenda; details of each agenda which clearly states whether it is for acknowledgement, approval or consideration, Board of Directors' opinions on such agenda and relevant information. These details are sent to the shareholders no less than seven days prior to the meeting so that the shareholders have sufficient time to review the meeting details before exercising their voting rights for each agenda. Moreover, the invitation letters and details about the meeting are also published in the newspapers for

three consecutive days at least three days prior to the meeting date. The power of attorney documents are also attached to the invitation letters for the shareholders who may be unable to attend the meeting and who would like to attend the meeting and vote by proxy. Such shareholders may ask any person including the Chairman of the Board of Directors or one of the Independent Directors to act as their proxies. Such shareholders have the full right to ask their proxies to have full votes or partial votes.

The matters to be carried out at an annual general meeting are as follows:

- 1) Consider the Board of Directors' report regarding the Company's performance for the previous fiscal year
- 2) Consider approving the balance sheet and the statement of comprehensive income
- 3) Consider approving profit allocation and dividend payment
- 4) Consider appointing new directors to replace those who leave after their terms end; and determine directors' remuneration
- 5) Consider appointing an authorized auditor and the remuneration for the auditor
- 6) Discuss other matters as deemed appropriate by the Chairman of the meeting

The shareholder meeting resolution shall be comprised of the following votes:

- 1) In a normal case, the majority of votes shall be deemed resolution. In case of an equality of votes, the Chairman of the meeting shall have a casting vote.
- 2) In the following cases, no less than three-fourths of the total number of votes cast by the present shareholders shall be deemed resolution.
 - Sale or transfer of the Company's business, entirely or partially, to other parties
 - Purchase or transfer of the business from other companies or private companies to the Company
 - Arrangement, amendment or termination of any contracts with respect to the granting of a lease of the Company's business, entirely or partially, the assignment to any other person(s) to manage the Company or the merge of the Company with any other parties in order to share profit and loss
 - Additional amendment of the memorandum of association or article of association
 - Capital increases or decreases
 - Debenture issuances
 - Company amalgamation
 - Company dissolution

In case of some urgent matters or extraordinary agenda which may have an impact on shareholders' benefits or have to conform to any rules or regulations that require shareholders' resolution, the Company may reserve the right to call for an extraordinary general meetings; this can be done on a case - by - case basis.

3. Roles of stakeholders being taken into account

The Company realizes the rights of all stakeholders and has policies to appropriately treat the stakeholders including shareholders, employees, management, customers, business partners, creditors, commodity and society in order to create full cooperation amongst the stakeholders in various groups. This in turn leads the Company's operations to go well and stably and ensures that all stakeholders are treated

fairly. The directors shall disclose some non-financial information to show proof that the Company is well considerate towards all stakeholders when making any decisions associated with the Company's operational guidelines. In addition, the Company also clearly indicates the groups of shareholders and specifies the degrees of importance for each stakeholder group in order to prevent possible mistakes.

Responsibilities to Shareholders

The Company is committed to effectively running the business and ensuring the shareholders' greatest satisfaction, taking into consideration its long-term growth and appropriate returns. The Company is also determined to operate business in a transparent manner and disclose the financial position as well as the Company's earnings performance or general information. The information is transparent, accurate, reliable and equal. To comply with such principles, the Company had set forth the following guidelines:

- Management and all employees shall perform duties with honesty and fairness to every shareholder.
- The Company's business is managed with full knowledge, managerial skills, and careful decision making.
- The Company accurately discloses its operating results as well as reporting its financial status to shareholders in accordance with regulations specified by the Stock Exchange of Thailand.
- The Company shall not involve in any actions in a way that may cause conflicts of interests to the Company.
- No one in the Company seeks benefits for himself/herself or related parties by using the Company's information not yet disclosed to the public
- Confidential information must not be disclosed to outsiders, except for the cases that are required by the law

Respect the rights of other stakeholders

The Company is determined to treat other stakeholders fairly and ethically in order to ensure good relationship for business operation. Other stakeholders include management and employees, customers, business partners, creditors, competitors, related government agencies, the society. The Company does not give particular favor to particular people nor treat some people in unfair ways. The Company does not treat other stakeholders based on the personal relation. In addition, the Company treats other stakeholders regardless of their nationalities, races, religion or gender. In particular, the Company puts a great emphasis on responsibilities to the society and communities. The Company's major duty to the society is to create and support activities that are useful to the communities and society. By contrast, the Company does not do or support any activities that are either against the law or damage the image of the country, the natural resources and environment and the actions that might threaten the society and the country's security. All stakeholders shall submit any clues of unfavorable, suspicious activities, complaints, suggestions and inquiries through letters, telephone (No. 02 669 4200-9) or email: info@matchingstudio.com. All of these matters comments shall be forwarded to departments in charge for further procedure or improvement.

4. Responsibilities of Board of Directors

Structure of the Board of Directors

The Company's Board of Directors consists of nine directors who serve a service term of three years.

Two of them are from the management while seven are not members of the management. Out of the total directors, three of them are qualified as independent directors, according to the Securities Exchange Commission's requirement that a SET-listed company have independent directors at the number equivalent to or more than one-third of the total directors.

The Board of Directors acts as the representatives of the shareholders and oversees the Company's overall management. They shall lead and be involved in determining the Company's targets, directions, policies, work plans and budget. The Board of Directors should honestly make sure that the Company's business is operated in accordance with the laws and regulation as well as the resolutions of the shareholder meetings in order to maintain the benefits of the shareholders. In addition, the Board of Directors should also monitor the management's performance to ensure that the established policy is achieved efficiently and effectively. This would not only increase the maximum economic values to the Company but also bring the most stable returns to shareholders. The Board of Directors set up the internal control system and closely followed the implementation of such on a regular basis. The members of Executive Committee are authorized to approve the investment worth not more than Baht 20 million while the Chief Executive Officers are authorized to approve the investment worth no more than Baht 15 million and the Managing Director has authority to approve the investment worth no more than Baht 10 million. The Company's Board of Directors appoints the Audit Committee to strengthen the Company's internal control system and ensure sufficient and appropriate good corporate governance practices.

The Chairman of the Company's Board of Directors shall not be the same person as Chief Executive Officer and Managing Director. The responsibilities in regard to corporate governance and regular management shall be separated so that the Company can operate business with transparency. The chances that of conflicts of interests may occur and particular persons hold too much power shall be at a minimum. Instead, there should be balanced power in the management level for maximum benefits to the Company and the shareholders.

Philosophy of doing business

To achieve sustainable growth and properly increase values for the stakeholders while taking account of the environmental aspects and providing benefits to the society as a whole, the Company set the business philosophy with the aims to:

- Enhance its competitiveness as a leader in TV commercial production and service market;
- Become an excellent organization with the working teams committed to creation of new things. All employees trust one another, with the aim of building operational standard for the management and employees at all levels. Details of which are as follows:
 - To focus on maximizing benefits for the Company in the long term in order to create maximum values to shareholders;
 - To concentrate on equitable treatment for both shareholders and stakeholders;
 - To prevent conflicts of interests;
 - To pursue business management with care and full responsibility;
 - To ensure transparent operation that can be scrutinized;

- To ensure that the Company's internal control and internal audit systems are up to standard, reliable and efficient;
- To set the Code of ethical Business for directors and employees to follow

Sub-Committees

For more effective and transparent corporate governance in the Company, the Board of Directors sets up some sub-committees to oversee operation and corporate governance as the following details:

- **Executive Committee**
Company's Board of Directors selects seven qualified directors and management to be members of Executive Committee in order to manage and control the Company's operations as assigned by the Board of Directors
- **Audit Committee**
The Board of Directors appoints three independent directors to be the members of the Audit Committee. At least one of the three independent directors must possess knowledge and experience in accounting and finance. The members of audit committee must be independent as stated in the rules and regulations concerning qualifications and scope of duties and responsibilities of the Audit Committee set by the Stock Exchange of Thailand. The Audit Committee reports directly to the Board of Directors and their scope of duties and responsibilities, as stated in the charter of the Audit Committee, are reviewed at least once annually.
- **Nomination and Remuneration Committee**
In 2013 the Board of Directors set the Nomination and Remuneration Committee, consisting of members who were not in the management and three of them were independent directors. The Committee has policies to set policies, rules and guidelines for nomination and selection of the Company's directors, sub-committees and management members. The Committee also sets the amounts of remuneration and benefits for directors and sub-committee members as well as management members. The Nomination and Remuneration Committee reports performance and proposes opinions or suggestions to the Board of Directors.
- **Corporate Governance Committee**
The Company does not appoint a specific sub-committee as it views that the Board of Directors and Executive Committee are able to efficiently make decisions on various matters. However, in the future, if the Company has larger business size and more complicated organization structure, the Company may consider appointing a particular sub-committee for some specific matters as deemed appropriate.

Board of Directors Meeting

The Board of Directors meets monthly and some special meetings are called for if needed. The invitation letters clearly indicating the meeting date and agenda are sent to the members of Board of Directors at least seven days prior to the scheduled meetings to ensure that the directors have adequate time to consider the information. Normally, each meeting takes not less than two hours. In each meeting, the Chairman of the meeting allows each director to freely express his/her opinions. In 2014 there were 14 Board of Directors meetings, 12 Executive Committee meetings and eight Audit Committee meetings, four Nomination and Remuneration Committee meetings. In 2015, there were 13 Board of Directors'

meetings, 11 Executive Committee meetings, six Audit Committee meeting and one Nomination and Remuneration Committee meeting. The details of each director's attendance are shown in the following table:

Name	Position	No. of the times with right to attend the meeting (time)							
		Board of Director		Executive Committee		Audit Committee		Nomination and Remuneration Committee	
		2014	2015	2014	2015	2014	2015	2014	2015
1. Mr.Somrit Srihongdee	Chairman	14/14	13/13	-	-	-	-	4/4	1/1
2. Mr.Poomchai Wacharapong ^{/1}	Director and Chief Executive Officer	14/14	13/13	12/12	11/11	-	-	-	-
3. Mr.Somboon Cheewasutthanon	Director and Executive Committee Member	13/14	13/13	12/12	11/11	-	-	-	-
4. Mr.Akarat Na Ranong	Independent Director and Chairman of Audit Committee	14/14	13/13	-	-	8/8	6/6	-	-
5. Mr.Nuttawut Phowborom	Independent Director and Audit Committee Member	10/14	7/13	-	-	7/8	4/6	4/4	0/1
6. Mr.Kamol Ratanachai	Independent Director and Audit Committee Member	13/14	13/13	-	-	8/8	6/6	4/4	1/1
7. Mr.Pattanapong Nuphan	Director and Executive Committee Member	12/14	13/13	11/12	10/11	-	-	-	-
8. Mr.Nuttawit Boonyawat ^{/4}	Director and Executive Committee Member	10/11	12/13	6/7	10/11	-	-	-	-
9. Mr.SansritYenbamrung ^{/5}	Director and Executive Committee Member	11/11	11/13	6/7	10/11	-	-	-	-
10. Mrs. Watchanee Watanathawanwong ^{/2}	Director and Executive Committee Member	3/3	-	4/5	-	-	-	-	-
11. Mr. Chakrapun Leelamasavat ^{/3}	Director and Executive Committee Member	3/3	-	4/5	-	-	-	-	-
12. Mrs.Siripen Sasinmanop ^{/6}	Executive Committee Member and Assistant Managing Director for Equipment Rental Business	-	-	7/7	11/11	-	-	-	-
13. Mr.Wiroj Bunsirirunguang ^{/7}	Executive Committee Member and Managing Director for Finance Department and the Company's Secretary	-	-	6/7	10/11	-	-	-	-

Note

- 2014 ^{/1} Mr.Poomchai Wacharapong was appointed as Director and Executive Officer on 2 January 2014
- ^{/2} Mrs. Watchanee Watanathawanwong resigned from the position of Director and Executive Committee Member, effective on 28 April 2014
- ^{/3} Mr. Chakrapun Leelamasavat resigned from the position of Director and Executive Committee Member, effective on 28 April 2014
- ^{/4} Mr.Nuttawit Boonyawat was appointed as Director and Executive Committee Member on 28 April 2014
- ^{/5} Mr.SansritYenbamrung was appointed as Director and Executive Committee Member on 28 April 2014
- ^{/6} Mrs.Siripen Sasinmanop was appointed as Executive Committee Member on 28 April 2014
- ^{/7} Mr.Wiroj Bunsirirunguang was appointed as Executive Committee Member on 28 April 2014

The written minutes of the meetings, endorsed by the Board of Directors, are properly recorded and filed. They are always available for review and audit by the Board of Directors and concerned parties.

Board of Directors' Reports

The Board of Directors holds responsibility for the Company and its subsidiaries' financial statement (already audited by the auditor) as well as all disclosed financial information. The Board of Directors realizes the importance of the accuracy and reliability of such financial reports and information. Hence, the Board of Directors has a policy to complete a report on the responsibility of the Board of Directors in regard to the financial reports and financial information disclosed in the Company's annual report. The financial statement is regularly prepared to conform to the generally accepted accounting standards. In preparing such financial reports, appropriate accounting policies are selected and consistently applied while judgment and forecast are carefully used. Moreover, the significant information shall be adequately disclosed in the footnotes to financial statement covering the guideline for SET-listed companies set by the Stock Exchange of Thailand.

Moreover, the Audit Committee appointed by the Board of Directors is responsible for overseeing the quality of Company's financial reports and the internal audit system. Opinions of the Audit Committee are reported in the 56-1 form. All members of the Audit Committee and the management attend meetings in order to review the adequacy of the Company's internal audit system in various areas set by the Company's management. The minutes of every Board of Directors' meeting are recorded and contain proper details, e.g. questions and opinions of each director for each agenda and opposite opinion along with the rationales, so that the shareholders can examine the appropriateness of the directors in performing their duties. Meanwhile, the Board of Directors continuously and firmly focuses on applying the good corporate governance policies to the management and operation to create a good image and reliability of the Company among the investors and the public.

Prevention of Conflict of Interests

Realizing possible conflicts of interests, the Board of Directors issues guidelines as a part of the Code of Ethical Business for all management and employees to avoid any personal conflicts of interests with the Company and shareholders when dealing with trade partners and other parties. Moreover, transactions that may cause conflicts of interests or connected transactions shall be considered properly by the Board of Directors meetings. The Board of Directors clearly determines guideline policies as well as approval procedures in accordance with the Stock Exchange of Thailand's regulations. For example, a person who has conflicts of interest or is a connected party shall inform the Company of his/her relationship or connection with such transactions and shall not attend the meeting for such agenda and vote (i.e. no approval power). In addition, pricing and conditions of the connected transactions shall be conducted in the same manner as normal business practices done with third parties. If an expertise in some certain areas is needed, the Company shall seek independent opinions from external specialists such as an auditor or other advisors. The opinion of the Audit Committee and/or other consultants shall be incorporated in decision making process of the Board of Directors and/or shareholders depending upon the related rules and regulations. Such transactions are to be disclosed in the Company's annual report, Form 56-1 and financial statements.

Remuneration for Directors and Management

In 2013 the Board of Directors set the Nomination and Remuneration Committee who determined the amounts of remuneration and benefits for directors and management members for the fiscal year 2015, based on the Company's business scale, responsibilities of each director and management member in comparison to Company's business expansion and growth. The Nomination and Remuneration Committee proposed the amounts for an approval by the Board of Directors. The remuneration for the Company's directors and sub-committee members is subjected to an approval from the Annual General Meeting of Shareholders. (The information in regard to the remuneration for the directors and management members is disclosed in the Management section).

Internal Control and Internal Audit

Realizing the importance of the internal control system, the Company thus focuses greatly on sufficiency and appropriateness of its internal control system covering finance, management and operation. The Company also ensures that its internal control system is complied with the laws and related regulation and improves such system to meet the standard set by the Stock Exchange of Thailand and as well as the international standard called Internal Control Framework set by the Committee of Sponsoring organizations of the Treadway Commission or COSO. The Company clearly specifies the duties, responsibilities, and power of the employees both in the operation level and the management level in a written form. Uses of the Company's assets are controlled to maximize benefits to the Company. In addition, the duties of employees in the operation, inspection and evaluation sectors are clearly separated in order that an appropriate balance of work is created. Moreover, the Company also creates the financial report system for the responsible departments. Note that the members of Board of Directors express their opinions concerning the sufficiency of the internal control system in the Company's financial report under the "Internal Control" section.

To ensure the efficiency in production of important documents and the internal control and to ensure that the internal control is improved regularly, the Company set up the internal audit department in 2008. This department is assigned to review the internal operation as well as assessing the effectiveness and the sufficiency of the internal audit system of the Company and its affiliates. The internal audit department's main objective is to ensure that core operation and the financial activities of the Company and its affiliates are effectively run and meet the management's objectives. In addition, the internal audit department also inspects whether all operations of the Company are in accordance with the laws and other regulations set by the Company. Hence, in order to enable the members of internal audit department to independently perform their duties, the Board of Directors requires that the internal audit department report directly to the Audit Committee. The internal audit department is also assigned to carry out inspection duties, in accordance with the Company's annual business plan approved by the Audit Committee. The internal audit department is required to regularly report the inspection results and send some suggestions to the Audit Committee and the Chairman of the Board of Directors in a prompt manner.

Risk Management

The Company realizes the importance of risk management, which is a key mechanism and tool for management helping the Company reach its goals and targets. The risk management also helps minimize losses while enhancing the Company's competitiveness. Moreover, the risk management is a key element for good governance. Hence, the Company continues to develop its risk management system. In light of this, the Company appoints the Executive Committee to work on the policy level. Meanwhile, the Company also includes the risk management in the job description of all departments so that all employees realize and emphasize the importance of the risk management. All departments hold the responsibility to manage and control and maintain risks at acceptable levels. Finally, they regularly follow up and evaluate risks to be in line with both internal and external environment that will change continuously.

The Code of Ethical Business

The Company puts in place the Code of Ethical Business for all directors and employees to comply with in order to enhance values of its business. A primary goal of the Code of Ethical Business is to ensure that the management and employees treat the Company, stakeholders and society in professional, honest, transparent, equal and responsible manners. Moreover, the Company also assigns responsible persons to assess the performance and improve such Code of Ethical Business. Finally, the Company also has a policy to communicate to all staff and management constantly to ensure their understandings and publish information for all employees on a regular basis.

Prevention of Corruption Involvement

The Company became a member of PACT Network in order to express its intention to act against any forms of corruptions on 20 May 2015. PACT Network is an organization consisting of members from different fields who like to act against corruptions. The Network was founded by Thaipat Institution and partners who see the importance of establishment of a particular area for operation against corruptions which is suitable for contexts of corporate organizations. The Company set a business standard with transparency and will promote higher business ethical standard. Hence, it announced an anti-corruption policy aimed at tightening internal control measures and preventing corruption practices, e.g., offering gifts, special service compensation, and other expenses to officials or any individuals that may involve conflicts of interest; receiving gifts or assets from outsiders (if the values or gifts are high and it is believed that receiving of such gifts is not appropriate, such items shall be returned to senders). Regarding work transparency, all budget disbursement transactions must be done in accordance with the Company's regulation. Regarding a procedure to choose a supplier, the purchasing department has to follow bidding process.

5. Information Disclosure and Transparency

The Company's Board of Directors Company realizes the importance of disclosure of information that is accurate, adequate, transparent, reliable, widespread and prompt. Realizing that financial reports along with general information may have an impact on decision making of investors and stakeholders, the Company publishes information for investors, shareholders and public through the following channels:

- 1) The website of the Stock Exchange of Thailand (<http://www.set.or.th>) which includes
 - The company's news
 - Annual report form (56-1)
 - Financial statement (quarterly and annually)
 - Documents notifying resolutions of Board of Director's meetings and others
- 2) The website of Securities and Exchange Commission (<http://www.sec.or.th>)
- 3) The website of Ministry of Commerce (<http://www.dbd.go.th>)
- 4) Newspapers
- 5) Company's website <http://www.matchinggroup.com>
- 6) Company Visits/ One-on-One Meetings
- 7) Analyst Meetings
- 8) Press Meetings
- 9) Letters mailed to shareholders

Moreover, to disclose accurate, adequate, and transparent information, the Company sets up the Investor Relations Department to effectively provide the information, news and activities of the Company to investors, analysts, shareholders and other third parties. In addition, the Investor Relation Department also provides efficient services to shareholders, enhancing the Company's credibility and image. Investors are welcomed to contact the Company's Investor Relation Department by the telephone numbers 0-2669-4200-9 or e-mail to investor@mmsbangkok.com.

Corporate Social Responsibility

The Company operates its business, based on the code of ethical business with an emphasis on the right of stakeholders in all groups. Details of CSR-in- process guidelines are as follows:

1. Operate business with fairness

The Company emphasizes the importance of business operation that supports free trade competition. The business is carried out with honesty and fairness under the Company's rules and regulations. The Company avoids any activities that may cause conflicts of interests.

- In terms of purchasing and recruiting, the Company chooses operators or contractors, taking into account of equality and fairness. No special favor is given to any particular individual or company to ensure fair competition.
- The Company has a policy against any activities that involve in infringement of intellectual property or copyrights.

2. Respect of human rights and employees' performance

The Company focuses on the importance of human rights, taking into account of individuals' equality, freedom, and equality of dignity and rights. The Company is strongly against discrimination of nationalities, races, religions, languages, ages, genders, marital status, sexual preferences and disability.

3. Treat employees with fairness

Being aware that manpower is a key factor that can enable the Company to successfully reach its business goals, the Company treats employees with fairness. In light of this, the following policies were announced:

- Recruitment policies
 - Be against any practices of labor forcing; not collect money or keep employees' identification documents unless required by law;
 - Support and respect the protection of human rights, e.g., against labor forcing, against child labor and etc;
 - Make payment of wages and remuneration in Thai Baht currency at the rates not less than what specified by law; not deduct employees' remuneration, except for the case specified by law;
 - Set working hours at not more than the working hours specified by law and calculate overtime hours in accordance with what specified by law;
 - Provide safe workplace for pregnant employees; neither terminate their employment contracts nor reduce their benefits due to their pregnancy;
 - Support employees' efficiency enhancement by allowing them to participate in public trainings and in-house trainings;

- Provides safe and hygienic workplace as well as necessary healthcare facilities, e.g., infirmary with a nurse on duty
- Personnel policies
 - Employees are the Company's most valuable resources and they are key success factors for the Company. The Company creates favorable values, culture and working environment and also treats employees with politeness, also with respects of their rights and freedom. The Company also tries to tighten relation among employees.
 - Employment, appointments, transfer, remuneration and benefits of employees are based on fairness and facets.
 - Safety is also another key issue. It's the Company's responsibility in creating working environment that is safe for employees' lives and their properties. The Company also provides necessary and appropriate welfare items, e.g., certificate for free-drug workplace from the Department of Labor Protection and Welfare, an annual test of alarm system, annual check-up, group life insurance and accident insurance policies, OPD allowance, and other benefit packages.

4. Responsibility for consumers

The Company is committed to development of goods/services to benefit organizations and society. The Company is also determined to produce high quality goods/services that are safe for consumers and environment.

- The Company presents TV programs that not only focus on entertainment and profit but also include useful information, assisting and creating good opportunities for people in communities and thus benefiting society in the future.
- The Company provides quality services and support clients' need with fairness. For example, the Company produces works or offers services based on the terms and conditions stated in the contracts, with high quality and standard being taken into account.
- The Company keeps clients' information at safe places and does not disclose such information to outsider unless it is allowed by clients.

5. Preserve environment

- In business process, the Company focuses on effective use of resources and technology for production and service provision, taking into account the safety and friendliness to environment.
- The Company effectively utilizes resources by initiating "Green Office Program" aimed at saving energy.

6. Development of community and society

Emphasizing the responsibility to society, the Company supports, collaborates and provides assistance in community development programs.

Prevention of Corruption Involvement

In May 2015 the Company became a member of PACT Network; this was the first step for the Company to express its intention to act against any forms of corruptions. Furthermore, the Company is preparing to push forward prevention of corruptions to a higher degree. The Company set a business standard with transparency and will promote higher business ethical standard. Hence, it announced an anti-corruption policy aimed at tightening internal control measures and preventing corruption practices, e.g., offering gifts, special service compensation, and other expenses to officials or any individuals that may involve conflicts of interest; receiving gifts or assets from outsiders (if the values or gifts are high and it is believed that receiving of such gifts is not appropriate, such items shall be returned to senders). Regarding work transparency, all budget disbursement transactions must be done in accordance with the Company's regulation. Regarding a procedure to choose a supplier, the purchasing department has to follow bidding process.

Internal control and risk management

1. Board of Directors' opinion concerning the internal control system

According to the Board of Directors' meeting No.2/2016 held on 19 February 2016 in the presence of all three members of the Audit Committee, the Board of Directors evaluated the Company's internal control system by inquiring the management as well as other related officers and completing the valuation form aimed at assessing the adequacy of the internal control system based on the evaluation form of the Securities and Exchange Commission. Five key elements of the internal control system are i) Control of Environment; ii) Risk Assessment; iii) Control of Activities; iv) Information & Communication and v) Monitoring Activities. The Directors opined that the Company's internal control system was appropriate and sufficient for business operation under the current circumstances and that the Company's internal control system could prevent the Company's assets from being damaged or used for wrongfully seeking benefits by particular individuals.

2. Head of Internal Audit Department and Head of Corporate Governance

The Audit Committee Meeting on 14 December 2012 No. 5/2012 appointed Mr. Chinawat Masrangsan as an acting director of the internal audit and system development department and a secretary to the Audit Committee, effective from 14 Decembers 2012. Mr. Chinawat Masrangsan possessed five-year experience in internal audit. He attended various trainings on internal audit functions, e.g., Audit Program 1 Class 43 and Audit Program 2 Class 38 provided by the Federation of Accounting Professions. Mr. Chinawat Masrangsan had good understanding about the Company's activities and operation. The Audit Committee thus regarded him as a qualified person to take responsibilities for the position. Note that to consider appointing, removing and transferring the head of the internal audit department is subjected to approval of the Audit Committee.

Connected Transactions

The details of connected transactions during 2014 and 2015 are as follows:

Connected Persons/ Entities with possible conflicts of interests Nature of business Relationship	Transaction Details	Transaction Value (Mn Bt)		Necessity/Justification
		2014	2015	
<p>Bangkok Broadcasting & TV. Co. Ltd. (BBTV")</p> <p><u>Nature of Business</u></p> <p>Manage Channel 7</p> <p><u>Relationship with the Company</u></p> <ul style="list-style-type: none"> - Being an indirect major shareholder (holding 30 percent of shares in BBTV Production, which is the Company's major shareholder) - Mr. Pattanapong Nuphan, the Company's director, holds the position of Assistant Managing Director 	<p><u>Provision of TV program production service</u></p> <p>The Company was hired to produce TV program called "Ta Lab Lang Ta Lad" for BBTV Production Co., Ltd; the program was broadcast on Channel 7</p> <ul style="list-style-type: none"> - Service Revenue 	21.09	-	<p>The Company was hired to produce the TV program for BBTV, which is the Company's core business. The service rate was based on the cost plus profit. Payment conditions were set according to normal business practices.</p> <p><u>Opinions of the Audit Committee</u></p> <p>The service was Company's core business. The service rate was based on the cost plus profit. Payment conditions were according to normal business practices. Hence, the transaction was deemed as necessary and justified.</p>
<p><u>Event Organizing</u></p> <p>ME (subsidiary) acted as an event organizer for BBTV. The firm organized various events including LPGA Charity Night 2015, Young Model 2015, Cannel 7 Sangsan Khon Kan Eng 2015, Mega Bangna Absolute Denim, and etc.</p> <ul style="list-style-type: none"> - Service Revenue - Service Cost 	<p>3.77</p> <p>0.50</p>	6.98	-	<p>ME acted as an event organizer for BBTV, which was the Company's core business. The service rate was based on the cost plus profit, similar to the rate charged to outsiders. Payment conditions were according to normal business practices.</p> <p><u>Opinions of the Audit Committee</u></p> <p>The service was the Company's core business. The service rate was based on the cost plus profit and similar to the rate charged to outsiders. Payment conditions were set according to normal business practice. Hence, the transaction was necessary and justified.</p>

Connected Persons/ Entities with possible conflicts of interests Nature of business Relationship	Transaction Details	Transaction Value (Mn Bt)		Necessity/Justification
		2014	2015	
	<u>Subleasing the airtime</u> The Company subleased the airtime from BBTV to broadcast its TV programs on Channel 7, which were "Plod Nee", "Kab Dek..Sang Ban", "Im Mee Pee Mun" and "Nice Kitchen" - Service Cost	14.93	28.02	The Company subleased the airtime from BBTV to broadcast its TV program on Channel 7. The program was the Company's core business and the service cost was based on the airtime slots and the agreements. The transaction was done in according with the Company's normal trade practice. <u>Opinions of the Audit Committee</u> The service was the Company's core business. The service rate and payment conditions were acceptable. Hence, the transaction was found necessary and justified.
BBTV Asset Management Co. Ltd. "BBTVAM") <u>Nature of Business</u> Advertising business <u>Relationship with the Company</u> Being an indirect major shareholder of the Company (holding 25 percent of shares in BBTV Production, which is the Company's major shareholder)	<u>Subleasing the airtime</u> The Company subleased the airtime from BBTVAM to broadcast its "Plod Nee" and "Plod Nee on Public Holidays" Programs on Channel 7. - Service Cost	12.37	-	The Company subleased the airtime to broadcast its TV programs on Channel 7. The cost was based on the airtime slots and the agreements. The transaction was done in according to the Company's normal trade practice. <u>Opinions of the Audit Committee</u> The service was the Company's core business. The service rate and payment conditions were set according with normal business practice Hence, the transaction was necessary and justified

Connected Persons/ Entities with possible conflicts of interests Nature of business Relationship	Transaction Details	Transaction Value (Mn Bt)		Necessity/Justification
		2014	2015	
BBTV News Media Co. Ltd. ("BBTVNM") <u>Nature of Business</u> Information Supply Service	<u>Provision of production service</u> BM (a subsidiary) gained revenue from service about downloading magazines through an application			BM (a subsidiary) gained the profit share from magazine downloading service through an application from BBTVNM who provided application development service for BM, with the rate based on general trade terms.
<u>Relationship with the Company</u>	- Service Revenue	0.001	0.002	
- The Company's director, Mr. Pattanapong Nuphan is also a director of BBTVNM	- Other revenue	0.08	-	<u>Opinions of the Audit Committee</u> The service supported BM's core business and the service rate was based on the cost plus profit. The payment conditions were set in accordance with normal business practice. Hence, the transaction was necessary and justified.
- BBTV, the indirect major shareholder of the Company, indirectly holds all shares of BBTVNM.				
	<u>Program Development Charge</u> BM (subsidiary) hired BBTVNM to: develop and maintain BM's three websites namely Cheese Plaza, Cheese Mag and Looker Mag			BBTVNM developed and maintained the Company's websites, with the service charge rate and payment conditions based on normal business practice. Hence, the transaction was necessary and justified.
	- Computer System (Website)	0.17	0.01	
	- Deposits (for additional website development)	0.14	0.14	<u>Opinions of Audit Committee</u> Website development and maintenance was a another channel to access the direct targeted clients. The service charge rate and payment conditions were based on normal business practice. Thus, the transaction was necessary and justified.
	- Administration Expenses (Website Maintenance)	0.001	-	

Connected Persons/ Entities with possible conflicts of interests Nature of business Relationship	Transaction Details	Transaction Value (Mn Bt)		Necessity/Justification
		2014	2015	
	<u>Website Development Charge</u> MMS requested that the BBTVM develop and improve the website			BBTVNM developed and maintained the website , with the service rate and conditions based on normal rates for general business operation. <u>Opinions of Audit Committee</u> Website development and maintenance was another channel to access the direct targeted clients. The service charge rate and payment conditions were based on normal business practice. Thus, the transaction was necessary and justified.
	- Prepaid expenses	0.02	-	
	- Administration expenses	0.09	0.11	
	- Account Payable	-	0.01	
Media Studio Co., Ltd. <u>Nature of Business</u> Production of news, entertainment programs, and dramas broadcast on Channel 7 <u>Relation with the Company</u> The Company’s director, Mr. Sansrit Yenbarmung is also a director for Media Studio Co.,Ltd.	<u>Co-production</u> MMS co-produced “Seven Stars Prachanban” and “The Cover” programs - Service Revenue - Revenue from rental props - Service Cost	- - -	8.00 0.17 4.40	MMS engaged in TV program co-production with Media Studio Co., Ltd. for programs broadcast on Channel 7. This was the Company’s core operation with the service rate being calculated from cost plus profit and service rates and payments being set in accordance with normal business operation. <u>Opinions of Audit Committee</u> The co-production service was the Company’s core business. The service rate was calculated based on cost and profit and the payment conditions were set according with normal business practice Hence, the transaction was necessary and justified.

Connected Persons/ Entities with possible conflicts of interests Nature of business Relationship	Transaction Details	Transaction Value (Mn Bt)		Necessity/Justification
		2014	2015	
<p>HR professional Consulting and Service Co., Ltd ("HRP")</p> <p><u>Nature of Business</u></p> <p>Human Resource Services</p> <p><u>Relationship with the Company</u></p> <p>The Company's directors, Mr. Somrit Sithongdee and Mr. Poomchai Wacharapong are directors of HRP and Mr. Sansrit Yenbarmung and Mr. Nuttawit Boonyawat are advisors to HRP.</p>	<p><u>Service charge for security officers</u></p> <p>MMS received the service from HRP who supplied security officers for the Company.</p> <ul style="list-style-type: none"> - Administration Expenses 2.43 - Accrued expense (security service charge) 0.16 	<p>1.88</p> <p>0.17</p>	<p>HRP supplied security officers for the Company, with the service rate and payment conditions being set based on the market rate for normal business practice. Thus, the transaction was necessary and justified.</p> <p><u>Opinions of Audit Committee</u></p> <p>The Company hired outsourced security officers from HRP, instead of recruiting the security officers by itself. This helped to facilitate the Company's internal management. The service rate and payment conditions were set based on normal business practices. Hence, the transaction was necessary and justified.</p>	
	<p><u>Vehicle rental Charge</u></p> <p>ME received vehicle rental service from HRP</p> <ul style="list-style-type: none"> - Administration Expenses 0.05 - Accrued expense (vehicle rental charge) 0.02 	<p>0.02</p> <p>-</p>	<p>HRP provided vehicle rental services for the Company, with the service rates and conditions being in line normal rates in general business operation. Hence, the transaction was necessary and justified.</p> <p><u>Opinions of Audit Committee</u></p> <p>The Company HRP to provide rental vehicles, instead of finding vehicles by itself. This helped to facilitate the Company's internal management. The service rate and payment conditions were set based on normal business practice. Hence, the transaction was necessary and justified.</p>	

Connected Persons/ Entities with possible conflicts of interests Nature of business Relationship	Transaction Details	Transaction Value (Mn Bt)		Necessity/Justification
		2014	2015	
	Service charge for security officers			HRP supplied security officers for the Company, with the service rate and payment conditions being set based on the market rate for normal business practice. Thus, the transaction was necessary and justified.
	Matching Broadcast (MB) (a subsidiary) received the service from HRP who supplied security officers for the company.			
	- Administration Expenses	0.09	0.65	
	- Accrued expense (security service charge)	0.09	0.04	<u>Opinions of Audit Committee</u> The Company hired outsourced security officers from HRP, instead of recruiting the security officers by itself. This helped to facilitate the Company's internal management. The service rate and payment conditions were set based on normal business practices. Hence, the transaction was necessary and justified.
	<u>Cleaning service charge</u>			HRP supplied cleaners for the Company, with the service rate and payment conditions being in line with normal rates in normal business practice. The transaction was thus necessary and justified.
	Time Lapse (TL) (a subsidiary) received the service from HRP who supplied cleaners.			
	- Administration Expenses	-	0.45	
	- Accrued expense (cleaner service charge)	-	0.04	<u>Opinions of Audit Committee</u> The Company hired outsourced cleaners provided by HRP, instead of recruiting the cleaners by itself. This helped to facilitate the Company's internal management. The service rate and payment conditions were set based on normal business practices. Hence, the transaction was necessary and justified.

Connected Persons/ Entities with possible conflicts of interests Nature of business Relationship	Transaction Details	Transaction Value (Mn Bt)		Necessity/Justification
		2014	2015	
Mr. Somchai Cheewasutthanon <u>Relationship with the Company</u> The brother of Mr. Somboon Cheewasutthanon, the Company's director	<u>Leasing premise</u> The Company leased the premise No. 305/5 Soi Sukhothai 6, Sukhothai Rd, Dusit, Bangkok, to use as the Company's office. Each extendable lease contract six months. - Administration Expenses	0.84	1.39	The Company leased the premise from Mr. Somchai Cheewasutthanon to use as its office. The lease rate was appropriate compared with the rates for leased property nearby. The payment conditions were set in accordance with normal business practice, similar to the rates for outsiders. Hence, the transaction was necessary and justified. <u>Opinions of Audit Committee</u> The transaction supported the Company's operation. The rate and the payment conditions were set in accordance with normal business practice. Hence, the transaction was necessary and justified
Mrs. Siripen Sasinmanop <u>Relationship with the Company</u> Executive Vice President	<u>Leasing a building</u> GH (a subsidiary) leased a three-storey town house No. 173/13-14 Soi Paholyothin 44, to use as its office. Each extendable lease contract lasts one year. - Administration Expenses (Building lease charge)	0.72	0.72	GH leased the property from Mrs. Siripen Sasinmanop to use as its office. The lease rate was appropriate when compared to the rates for leased property nearby. The payment conditions were set in accordance with the normal business practice, similar to the conditions set for outsiders. Hence, the transaction was necessary and justified. <u>Opinions of Audit Committee</u> The transaction supported the Company's operation. The lease rate and the payment conditions were in line with what made with outsiders. Hence, the transaction was necessary and justified.

Connected Persons/ Entities with possible conflicts of interests Nature of business Relationship	Transaction Details	Transaction Value (Mn Bt)		Necessity/Justification
		2014	2015	
<p>Mrs. Siipen Sasinmanop</p> <p><u>Relationship with the Company</u></p> <p>Executive Vice President</p>	<p><u>Leasing land</u></p> <p>GH (subsidiary) leased the 405 square wah land, deed title No. 39485 and 39488 to use as a car park and an equipment warehouse. Each extendable lease contract lasted one year.</p> <p>- Administration Expenses (Land lease)</p>	0.40	0.40	<p>GH leased the land from Mrs. Siipen Sasinmanop to use as a car park and an equipment warehouse. The rental rate was appropriate when compared to the rates for leased property nearby. The payment conditions were set in accordance with the normal business practice, similar to the conditions set for outsiders. Hence, the transaction was necessary and justified.</p> <p><u>Opinions of Audit Committee</u></p> <p>The transaction supported the Company's operation. The lease rate and the payment conditions were similar to what made with third parties. Hence, the transaction was necessary and justified.</p>

1. Necessity and justification of the connected transactions

Reviewing the connected transactions occurring in 2014 and 2015, the Audit Committee opined that the connected transactions were necessary, justified and beneficial to the Company.

2. Measure or procedures to approve the connected transactions

The connected transactions occurred, based on the rationale and necessities where the benefits of the company were taken into account. The values of transactions arising from the transactions were fair and in compliance with a general trading agreement and the regulations of the Stock Exchange of Thailand or the Securities and Exchange Commission of Thailand. In case there was a connected transaction between the Company or its subsidiaries and persons who have or may have a potential conflict of interest (when the Management sees that the connected transaction is necessary but it is beyond the scope of responsibilities of the Management), the Audit Committee was responsible for providing opinions on necessity and appropriateness of such transaction. If the Audit Committee has no expertise in considering potential connected transactions that may arise, the Company will seek opinions from independent experts or the Company's auditor. Such independent opinions will be used as part of a decision making process of the Board of Directors and/or shareholders, whichever the case may be.

Moreover, the Company's Board of Directors approved in principles of the trading agreements that included general trading conditions for connected transactions between the Company and its subsidiaries and the Management and involved individuals. The management was entitled to approve the connected transactions between the Company and its subsidiaries and/or the Management or involved individuals (for both existing and potential transactions), without an approval from the Company's Board of Director Meeting or the Shareholders' Meeting. The connected transactions, which are in forms of trade agreements similar to what responsible men agree with general trade partners in similar situations and without power as the Management, directors or involved individuals, must be reported to the Audit Committee and the Company's Board of Directors at least once a year.

After the Company engaged in any connected transactions, it disclosed the information on such transactions as specified in the regulations of the Stock Exchange of Thailand. Such disclosed information was also reviewed by the Audit Committee. In addition, the Company also disclosed the connected transactions in the note to the financial statement which was reviewed by the Company's Authorized Auditor.

3. Policies for potential connected transactions

The Company has policies to carry out connected transactions between the Company and its subsidiaries as normal business transactions supporting the Company's business. All conditions are set in accordance with normal trading transactions and can be comparable with what agreed with outsiders. The Audit Committee or the Company's auditor or independent experts examine and provide their opinions in regard to the appropriateness of pricing and the justification of the connected transactions. For any potential connected transactions, the Board of Directors have to comply with the rules and regulations imposed by the Stock Exchange of Thailand, as well as guidelines on information disclosure regarding the connected transactions and the acquisition or disposition of substantial assets of the Company or its subsidiaries and the accounting standards of Accountants Association and Thailand's Certified Accountants Association.

Summary of the Consolidated

Financial Statement During Y'2013 - 2015

Financial Status	Audited Statement					
	31 DEC 2013		31 DEC 2014		31 DEC 2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Cash and cash equivalents	105.35	7.79	316.77	21.16	210.16	14.79
Short-term investments	713.22	52.72	100.50	6.71	40.74	2.87
Restricted cash - current portion	0.20	0.01	1.13	0.08	1.45	0.10
Trade and other receivables, net	159.66	11.80	167.44	11.19	151.71	10.68
Inventories, net	9.57	0.71	7.37	0.49	11.85	0.83
VAT receivable	0.20	0.01	1.55	0.10	3.05	0.21
Withholding tax deducted at sources, net	2.97	0.22	6.31	0.42	15.31	1.08
Other current assets	1.37	0.10	3.22	0.22	3.46	0.24
Total current assets	992.54	73.36	604.29	40.37	437.73	30.81
Investment in joint venture, net	-	-	5.71	0.38	8.42	0.59
Restricted cash — noncurrent portion	2.60	0.19	2.60	0.17	1.87	0.13
Investment properties, net	10.25	0.76	10.25	0.68	10.25	0.72
Property, plant, and equipment, net	92.67	6.85	577.28	38.57	629.15	44.29
Assets for rent, net	250.60	18.52	290.81	19.43	326.93	23.01
Intangible assets, net	1.31	0.10	0.80	0.05	0.61	0.04
Deferred tax assets	0.21	0.02	1.83	0.12	3.16	0.22
Other non-current assets	2.72	0.20	3.15	0.21	2.54	0.18
Total non-current assets	360.36	26.64	892.43	59.63	982.93	69.19
Total assets	1,352.90	100.00	1,496.72	100.00	1,420.66	100.00
Liabilities						
Bank overdrafts	4.52	0.33	-	-	12.77	0.90
Trade and other payables	60.11	4.44	54.12	3.62	41.56	2.93
Current portion of long-term borrowing						
from financial institution	0.40	0.03	18.12	1.21	19.13	1.35
Current portion of liability under finance lease	0.47	0.03	0.52	0.03	3.76	0.26
Accrued income tax	0.86	0.06	3.11	0.21	-	-
Other current liabilities	13.52	1.00	17.72	1.18	17.35	1.22
Total current liabilities	79.88	5.90	93.59	6.25	94.57	6.66
Long-term borrowing from financial institution	-	-	66.17	4.42	51.45	3.62
Liability under finance lease	2.34	0.17	1.82	0.12	14.97	1.05
Deferred tax liabilities	2.93	0.22	0.83	0.06	-	-
Employee benefit obligations	15.52	1.15	18.85	1.26	27.95	1.97
Deferred income from sales and leaseback	-	-	-	-	1.33	0.09
Total non-current liabilities	20.79	1.54	87.67	5.86	95.70	6.73
Total liabilities	100.67	7.44	181.26	12.11	190.27	13.39

Financial Status	Audited Statement					
	31 DEC 2013		31 DEC 2014		31 DEC 2015	
	Million Baht	%	Million Baht	%	Million Baht	%
<u>Shareholders' equity</u>						
Authorised share capital	535		535		535	
Issued and fully paid-up share capital	469.24	34.68	531.63	35.52	531.63	37.42
Share premium	640.04	47.31	658.32	43.98	658.32	46.34
Retained earnings						
Appropriated - legal reserve	5.01	0.37	8.31	0.56	10.66	0.75
Unappropriated	136.99	10.13	116.01	7.75	29.23	2.06
Equity attributable to owners of the parent	1,251.29	92.49	1,314.27	87.81	1,229.84	86.57
Non-controlling interests	0.93	0.07	1.19	0.08	0.55	0.04
Total shareholders' equity	1,252.22	92.56	1,315.46	87.89	1,230.39	86.61
Total liabilities and shareholders' equity	1,352.90	100.00	1,496.72	100.00	1,420.66	100.00

Statements of Comprehensive Income	Audited Statement					
	31 DEC 2013		31 DEC 2014		31 DEC 2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Services income	612.65	88.69	635.88	90.38	564.12	92.88
Sales	59.74	8.65	48.08	6.83	35.75	5.89
Other income	18.38	2.66	19.59	2.78	7.47	1.23
Total revenue	690.77	100.00	703.55	100.00	607.34	100.00
Cost of providing services	(377.90)	-54.71	(410.27)	-58.31	(396.72)	-65.32
Cost of sales	(39.85)	-5.77	(36.61)	-5.20	(29.58)	-4.87
Selling and Administrative expenses	(171.77)	-24.87	(207.02)	-29.43	(203.92)	-33.58
Other expenses	(0.92)	-0.13	(0.41)	-0.06	(5.61)	-0.92
Total expenses	(590.44)	-85.48	(654.31)	-93.00	(635.83)	-104.69
Profit (loss) before finance costs and income tax	100.33	14.52	49.24	7.00	(28.49)	-4.69
Finance costs	(0.31)	-0.05	(2.39)	-0.34	(6.36)	-1.05
Share of loss on investment in joint ventures	-	-	(6.79)	-0.96	(9.79)	-1.61
Profit (loss) before income tax	100.01	14.48	40.06	5.69	(44.65)	-7.35
Income tax	(21.49)	-3.11	(10.70)	-1.52	(6.24)	-1.03
Net profit (loss) for the year	78.52	11.37	29.36	4.17	(50.89)	-8.38
Item that will not be classified to profit or loss:						
Remeasurement of retirement benefit obligations, net of tax	(1.81)	-0.26	-	-	(4.95)	-0.82
Income tax relating to components of other Comprehensive income for the year	0.35	0.05	-	-	-	-
Total comprehensive income (loss) for the year	77.07	11.16	29.36	4.17	(55.84)	-9.19

Statements of Comprehensive Income	Audited Statement					
	31 DEC 2013		31 DEC 2014		31 DEC 2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Net profit (loss) attributable to:						
Owners of the parent	77.74		29.47		(50.24)	
Non-controlling interest in subsidiaries	0.78		(0.10)		(0.65)	
	78.52		29.36		(50.89)	
Basic earnings (loss) per share						
Earnings per share (Baht)	0.20		0.06		(0.09)	
Weighted average number of ordinary shares (million shares)	393.22		505.55		531.63	
Diluted earnings per share						
Diluted earnings per share (Baht)	0.18		0.06		Nil	
Weighted average number of ordinary shares for Calculation of diluted earnings per share (million shares)	422.31		517.75		531.63	
Par Value (Baht)	1.00		1.00		1.00	

Statements of Cash Flows	Audited Statement		
	2013	2014	2015
	Million Baht	Million Baht	Million Baht
<u>Cash flows from operating activities</u>			
Profit (loss) before income tax expense	100.01	40.06	(44.65)
Adjustments for:			
Bad debt expenses and doubtful accounts (reversal)	2.13	8.26	6.26
Depreciation and amortization charge	55.37	61.47	71.96
Provision of goods returns (reversal)	(1.27)	0.09	(0.47)
Allowance for decrease in value of inventory	-	-	0.56
Reversal of allowance for impairment of investment	-	(0.09)	-
Loss from write-off of withholding tax (reversal)	1.69	0.14	0.43
Provision for withholding tax deducted at sources (reversal)	(0.86)	(0.05)	(0.20)
Gain from change in fair value of trading securities	(11.81)	(14.39)	-
Share of loss of investments in joint venture	-	6.79	9.79
Gain from disposal of property, plant and equipment	(0.28)	(0.39)	(0.02)
Gain from disposal of assets for rent	(0.32)	(0.16)	(0.29)
Realize deferred income from sale and leaseback	-	-	(0.14)
Loss from write-off of equipment	0.02	0.00	5.65
Loss from write-off of assets for rent	1.23	0.56	0.22
Interest income	(1.93)	(2.26)	(4.95)
Finance costs	0.31	2.39	6.36
	144.29	102.43	50.51

Statements of Cash Flows	Audited Statement		
	2013	2014	2015
	Million Baht	Million Baht	Million Baht
Change in operating assets and liabilities:			
Trade and other receivables	(19.27)	(16.04)	9.99
Inventories and productions in progress	(0.35)	2.20	(5.04)
VAT receivable	0.61	(1.34)	(1.50)
Other current assets	(0.03)	(1.86)	(0.24)
Restricted cash	(0.20)	(0.93)	0.41
Other non-current assets	(0.89)	(0.43)	0.62
Trade and other payables	5.90	(6.77)	(7.37)
Other current liabilities	1.46	4.20	(0.37)
Employee benefit obligations	0.69	3.33	2.89
Cash flows from operating activities	132.21	84.79	49.90
Interest received	0.43	0.99	3.40
Interest paid	(0.34)	(2.31)	(6.38)
Withholding tax refunded	9.29	1.48	0.90
Corporate income tax paid	(23.12)	(17.07)	(20.40)
Net cash generated from (used in) operating activities	118.47	67.87	27.42

Statements of Cash Flows	Audited Statement		
	2013	2014	2015
	Million Baht	Million Baht	Million Baht
<u>Cash flows from investing activities</u>			
Cash payment for short-term investments	(700.38)	(99.10)	-
Cash received from short-term investments	-	726.20	59.76
Cash payment for investment in joint venture	-	(12.50)	(12.50)
Cash received from non-controlling interest	-	1.30	-
Payment to non-controlling interest due to dissolution of a subsidiary	-	(0.93)	-
Cash payment for purchases of equipment	(13.32)	(497.27)	(75.87)
Cash payment for purchases of assets for rent	(131.24)	(89.45)	(93.39)
Cash payment for purchases of intangible assets	(0.07)	(0.15)	(0.34)
Proceeds from disposal of equipment	1.33	0.49	0.03
Proceeds from disposal of assets for rent	0.52	1.35	0.55
Interest received from short-term investments	1.47	1.18	1.51
Net cash generated from (used in) investing activities	(841.69)	31.13	(120.25)

Statements of Cash Flows	Audited Statement		
	2013	2014	2015
	Million Baht	Million Baht	Million Baht
<u>Cash flows from financing activities</u>			
Bank overdrafts	4.52	(4.52)	12.78
Cash received from short-term borrowing from financial institution	-	32.00	-
Cash received from sales and leaseback	-	-	19.73
Repayments to short-term borrowing from financial institution	-	(32.00)	-
Cash received from long-term borrowing from financial institution	-	90.00	5.00
Repayments to long-term borrowing from financial institution	(5.00)	(6.11)	(18.71)
Repayments to liability under finance lease	(1.74)	(0.47)	(3.34)
Cash received from issuance of ordinary shares	708.62	80.66	-
Dividends payments	(15.55)	(47.15)	(29.24)
Net cash generated from (used in) financing activities	690.84	112.41	(13.78)
Net increase (decrease) in cash and cash equivalents	(32.38)	211.42	(106.61)
Opening balance of cash and cash equivalents	137.73	105.35	316.77
Closing balance of cash and cash equivalents	105.35	316.77	210.16

Financial Ratios	Unit	Audited Statement		
		2013	2014	2015
<u>Liquidity Ratios</u>				
Liquidity ratio	Time	12.42	6.46	4.63
Quick ratio	Time	12.25	6.26	4.27
Cash flow liquidity ratio	Time	1.44	0.78	0.29
Account receivables turnover	Time	4.47	4.18	3.76
Average receivables day	Day	80.55	86.08	95.77
Inventory turnover	Time	44.46	52.76	44.37
Average day sale	Day	8.10	6.82	8.11
Account payables turnover	Time	6.78	7.82	8.91
Credit term	Day	53.10	46.01	40.40
Cash Cycle	Day	35.55	46.89	63.48
<u>Profitability Ratios</u>				
Gross profit margin	%	37.87	34.66	28.93
Operating profit margin	%	12.32	4.39	-5.06
Other profit margin	%	2.53	1.76	-1.31
Cash to earning capability ratio	%	142.96	225.79	-90.35
Net profit margin	%	11.37	4.17	-8.38
Return on equity	%	9.06	2.29	-4.00
<u>Efficiency Ratios</u>				
Return on assets	%	8.12	2.06	-3.49
Return on fixed assets ^{/1}	%	100.58	12.91	-5.32
Assets turnover ratio	Time	0.71	0.49	0.42
<u>Financial Policy Ratios</u>				
Debt to equity ratio	Time	0.08	0.14	0.15
Interest coverage ratio ^{/2}	Time	377.94	28.40	4.31
Leverage ratio	Time	0.73	0.11	0.13
Dividend payout ratio	%	60.06	99.58	N/A

Notes ^{/1} Return on fixed assets excluding leased assets

^{/2} Interest coverage ratio calculated from operating cash flows / interest expenses

Analysis of Financial Position and Operational Results

Overall operating performance in the past year

The Company continued to run its core businesses namely equipment rental service business, TV program production business, event organizing business, printing business, post-production business, and TV commercial production business. In addition, the Company also formed a joint venture to operate film production and distribution. Its post-production business began to generate revenue in 2015. During 2014 -2015 a major change was that in 2014 the Company expanded to new business; Matching Broadcast Co. Ltd (a subsidiary) was approved to acquire a plot of land in Bang Bo District, Samprakan Province as a location for develop studio rental project. In late 2015 the project began construction work after having approved by the Extraordinary Shareholder Meeting No. 1/2015. The project will offer an international standard rental studio where rental equipment is also provided by Gear Head Co, Ltd. (a subsidiary). The studio rental project consists of an international-standard rental studio, a warehouse and an office building, serving demand from both local and international producers of feature films and TV commercials as well as producers of TV programs and dramas. Furthermore, the project can also provide non-stop event organizing services for product owners. Therefore, the project will help to pave the way for the Company to expand to a new operation line and also support its existing businesses; the project is expected to begin to generate revenue in 2017.

Industry Overview

The ad spending figure reported by Nielsen Media Research shows that in 2015 the ad spending expanded only slightly by 3.34 percent. The industry's performance was hindered by both internal and external factors. For instance, the economy remained sluggish and the consumer confidence weakened, causing product owners to reduce their ad spending. This situation caused the sales in the industry to miss targets and the overall prices of media have yet to show any signs of improvement. In the meantime, rapid changes in consumer behavior and technology prompted a large number of clients to shift to online media in stead of printing media. This was an uncontrollable factor, affecting the Company's overall operation.

Results of Operations

In 2015 the Company posted a net loss in the consolidated financial statement of Baht 50.24 million, accelerating by Baht 79.71 million or 270.50 percent on a year-on-year basis. The loss was caused mainly by: i) uncontrollable economic slowdown that led to intense sales and price competitions in various industries, such as digital TV industry; ii) slowdown in the printing business, iii) loss from expansion to the new post-production business launched in 2015; and iv) a realization of loss contribution from the joint venture.

The Company's combined revenue totaled Baht 607.34 million, decreasing by Baht 96.21 million or 13.67% on a year-on-year-basis. The details are as follows:

Revenue breakdown by businesses

Details	2013		2014		2015	
	Million	%	Million	%	Million	%
1. Revenue from equipment rental business	348.38	50.43	387.99	55.15	377.51	62.16
2. Revenue from TV program production	181.90	26.33	153.61	21.83	124.95	20.57
3. Revenue from event organizing	37.84	5.48	49.91	7.09	45.49	7.49
4. Revenue from printing business	52.20	7.56	40.63	5.77	30.06	4.95
5. Revenue from post-production business	-	-	-	-	9.63	1.59
6. Revenue from TV commercial production	44.53	6.45	44.37	6.31	6.54	1.08
7. Revenue from product sales	7.54	1.09	7.45	1.06	5.69	0.94
Revenue from core businesses	672.39	97.34	683.96	97.22	599.87	98.77
Other revenue	18.38	2.66	19.59	2.78	7.47	1.23
Total	690.77	100.00	703.55	100.00	607.34	100.00

Revenue from equipment rental business

In 2015 the Company and its subsidiaries booked Baht 377.51 million in revenue from the equipment rental services, accounting for 62.16 percent of the total revenue, representing a growth drop by 2.70 percent. This business was engaged in providing services to production crew of feature films and TV commercials, which was operated under the brand "Gear Head" and services to drama producers and TV program producers, which was operated under the brand " Handy Gear ". With economic and political uncertainty, a number of international crew decided to postpone their plans to come to Thailand.

TV Program Production

In 2015 the Company's revenue from its TV program production business amounted to Baht 124.95 million, accounting for 20.57 percent of the total revenue. The figure represented a decrease of 18.66 percent because the competition in the digital TV era was very intense. The value of analog TV media decreased by 9.80 percent as people shifted to digital TV media.

Event organizing business

The revenue from the event organizing business in 2015 amounted to Baht 45.49 million, accounting for 7.49 of the total revenue and dropping by 8.86 percent.

Printing business

The printing business in 2015 generated the revenue totaling Baht 30.06 million, accounting for 4.95 percent of the total revenue. The figure represented a growth decline of 26.02 percent due to drops in production and distributions in line with the printing industry where ad spending through magazines and newspapers decreased by 14.28 percent and 6.45 percent, respectively.

Post-production business

The post-production business in 2015 generated revenue of Baht 9.63 million, accounting for 1.59 percent of the total revenue. Note that the business was just launched and the Company began to realize revenue from this business in 2015.

TV commercial production

In 2015 the Company reported total revenue from TV commercial production business amounting to Baht 6.54 million, accounting for 1.08 percent of the total revenue. The growth in this business plunged by 85.26 percent from the figure in 2014 when the Company was hired to produce the “Elephant” documentary worth Baht 17.60 million.

Other revenue

In 2015 the Company and its subsidiaries saw other revenue amount to Baht 7.47 million, accounting for 1.23 percent of the total revenue. Other revenue included interest income and other income.

Cost of sales and services

In 2015, the Company and subsidiaries’ cost of sales and services decreased by Baht 20.58 million or 4.61 percent year-on-year to Baht 426.30 million, in line with the decline in sales. Thus, the gross profit margin weakened by 5.73 percent year-on-year to 28.93 percent vs. 34.66 percent in 2014. The narrower gross profit margin can be blamed on the narrowing of gross profit margins earned by each business due to smaller sales alongside overall economic slowdown. The overall gross profit margins are as follows:

Cost structure and gross profit margin	2013		2014		2015	
	Million	%	Million	%	Million	%
Revenue from core businesses	672.39	100.00	683.96	100.00	599.87	100.00
Cost of sales and services	417.75	62.13	446.88	65.34	426.30	71.07
Gross Profit Margin	254.64	37.87	237.09	34.66	173.57	28.93

Selling General and Administration Expenses (SG&A)

SG&A Structure	2013		2014		2015	
	Million	%	Million	%	Million	%
Selling expenses	25.73	14.90	25.03	12.06	23.17	11.06
Administration Expenses	146.04	84.57	181.99	87.74	180.75	86.26
Other expenses	0.92	0.53	0.41	0.20	5.61	2.68
Total SG&A and other expenses	172.69	100.00	207.43	100.00	209.53	100.00
Percentage out of the total revenue		25.00		29.48		34.50

In 2015 the Company and subsidiaries booked SG&A expenses and other expenses amounting to Baht 209.53 million, accounting for 34.50 percent of the total revenue. The SG&A expenses declined by 1.50 percent to Baht 230.92 million and other expenses stood at Baht 5.61 million, rising by Baht 5.21 million or 1,273.21 percent on a year-on-year basis due to loss from discontinuation of asset usage. Moreover, in 2015 the Company also realized a loss contribution of Baht 9.79 million from the joint venture.

Analysis of financial position for 2015 and 2014

Assets

As of 31 December 2015, the Company’s total assets decreased by Baht 76.06 million to Baht 1,420.66 million, equivalent to a decrease of 5.08 percent on a year-on-year basis, compared to the total assets of Baht 1,492.72

million in 2014. The total assets consisted of i) current assets of Baht 437.73 million (30.81 percent of the total assets) and ii) non-current assets of Baht 982.93 million (69.19 percent of the total assets). Details are as follows:

- Cash and cash equivalent as of the end of 2015 amounted to Baht 210.16 million, decreasing by Baht 106.61 million or 33.65 percent on a year-on-year basis. The decrease was caused by i) the purchase of new equipment to support the service and equipment rental business and ii) the investment in studio rental project for which the construction began in late 2015.
- The temporary investment as of the end of 2015 decreased by 59.76 million or 59.46 percent year-on-year to Baht 40.74 million, consisting of short-term deposits at financial institutions for the duration of not later than one year.
- Net account receivables and other receivables dropped by Baht 15.73 million or 9.40 percent year-on-year to Baht 151.71million. In 2015 the average collection period was 95.77 days. The Company assessed the quality of individual receivables in order to adjust the values of receivables to reflect the actual value, with criteria for determining allowance for doubtful debts being set. However, the Company continued to pursue debt collection from these receivables to ensure their repayment.
- Net property, plant and equipment was of the end of 2015 were valued at Baht 629.15 million, increasing by Baht 51.87 million or 8.99 percent from Baht 577.28 million reported for 2014. These included land, buildings, assets and assets under construction. The land and assets under construction were for the studio rental project, which is expected to generate future revenue for the Company. The construction progress of the project remained on track.
- Net assets for rent amounted to Baht 326.93 million, up Baht 36.12 million or 12.42 percent year-on-year as a subsidiary purchased new equipment to serve demand from clients in the service and equipment rental business.

Sources of funds

Liabilities

As of 31 December 2015, the Company saw total liabilities of Bath 190.27 million, increasing by Baht 9.01 million or 4.97 percent year-on-year. The Company repaid long-term borrowing amounting to Baht 18.71 million to financial institutions and the loans on financial lease at the a subsidiary increased by Baht 19.73 million. The Company repaid liability under financial lease amounting to Baht 3.34 million and also booked Baht 6.20 million linked to employee obligations in accordance with the Accounting Standard No 19.

Interest bearing debts

Details	2013		2014		2015	
	Million	%	Million	%	Million	%
Interest bearing debts:-						
Overdrafts	4.52	58.47	-	-	12.78	12.51
Long-term borrowing						
from financial institution	0.40	5.14	84.29	97.30	70.58	69.14
Liability under finance lease	2.81	36.39	2.34	2.70	18.73	18.35
Interest bearing debts	7.73	100.00	86.63	100.00	102.09	100.00

Shareholders' equity

As of 31 December 2015, the shareholders' equities decreased by Baht 85.07 million or 6.47 percent on a year-on-year basis to Baht 1,230.39 million because of the comprehensive loss of Baht 55.84 million and the dividend payment of Baht 29.24 million for 2014 performance. As of 31 December 2015, the book value per share stood at Baht 2.31.

Liquidity and capital adequacy

As of 31 December 2015, the Company and its subsidiaries saw the opening balance of cash amounting Baht 316.77 million and the closing balance of cash of Baht 210.16 million. The details are as follows:

Items	2013	2014	2015
Net cash generated from (used in) operating activities	118.47	67.87	27.42
Net cash generated from (used in) investing activities	(841.69)	31.14	(120.25)
Net cash generated from (used in) financing activities	690.84	112.41	(13.78)
Net increase (decrease) in cash and cash equivalents	(32.38)	211.42	(106.61)
Opening balance of cash and cash equivalents	137.73	105.35	316.77
Closing balance of cash and cash equivalents	105.35	316.77	210.16

In 2015 the net cash from operating activities amounted to Baht 27.42 million, arising from the increase in inventory by Baht 5.04 million mostly to support equipment rental service. The Company also paid corporate income tax amounting to Baht 20.40 million and acquired assets for lease amounting to Baht 93.39 million. The Company also paid acquired temporary assets and in addition, in late 2015 the Company invested Baht 75.87 million in the studio rental project for which the foundation work already stated. Hence, the Company's net cash used in investing activities amounted to Baht 120.25 million. Meanwhile, the net cash used in financing activities stood at Baht 13.78 million as the Company paid dividends amounting to Baht 29.24 million and repaid long-term borrowing of Baht 18.71 million to financial institutions.

Liquidity Ratio

In 2015 the Company's liquidity ratio stood at 4.63 times and the quick ratio was 4.27 times, falling in line with cash and cash equivalent as well as temporary investment alongside the investment in the studio rental project. However, the Company's liquidity ratio remained strong, with current assets exceeding current liability.

Appropriateness of capital structure

Items	Unit	2013	2014	2015
Total liabilities	million	100.67	181.26	190.27
Interest bearing debts	million	7.73	86.63	102.09
Shareholders' equity	million	1,252.22	1,315.46	1,230.39
Interest bearing debt to equity ratio	time	0.01	0.07	0.08
Debt to Equity Ratio	time	0.08	0.14	0.15

The major sources of funds included registered capital, and retained earnings. As of 31 December 2015, the Company's paid-up capital amounted to Baht 531.63 million and the premium on shares was valued at Baht 658.32 million. The retained earnings stood at Baht 39.89 million. In regard to liabilities, the Company's interest bearing debts amounted to Baht 102.09 million, up by Baht 15.46 million; the borrowing was aimed at funding the investment in the asset that will generate revenue in the future. However, the Company's interest bearing debt to equity ratio and the debt to equity ratio remained low at 0.08 times and was at 0.15 times, respectively.

Off Balance Sheet Obligations

As of 31 December 2015, the Company and its subsidiaries had off-balance sheet obligations from core business operation, such as long-term leases for land and premises signed with outsiders, the obligation for capital expenses, the obligations linked to the guarantees for two subsidiaries. All aforementioned obligations were disclosed in Item 32 of the note to financial statement for fiscal year 2015.

Factors impacting the Company's future performance

The Company is currently constructing the studio rental project, an international-standard rental studio to facilitate both indoor and outdoor shooting and serve demand from both local and international clients. The project will also serve demand for TV program production amid the growing competition in the digital TV business as well as providing event organizing facilities equipped with one-stop services. With current foundation work and progress being well on track, the project is expected to be finished by late 2016 and begin to generate revenue in 2017. The Company's profitability will depend largely on its ability to generate revenue. Key factors include the overall economic growth that in turn affects ad spending in the advertising industry and this is a factor cannot be controlled by the management. However, once completed, the studio rental project is expected to strengthen the Company's growth potential as well as boosting the market share in the studio rental business. Furthermore, the project will employ the Company to become the first provider of international standard rental studio equipment with state-of-the-art equipment; and this move should help to boost revenue growth and returns for the Company and shareholders in the long term. It should also be noted that the studio rental project will go well with the government's policy to attract foreign producers to choose their films or commercials in Thailand. The Company is confident that the studio rental project will be well responded by both local and international film producers.

Auditor's Report

To the Shareholders of Matching Maximize Solution Public Company Limited

I have audited the accompanying consolidated and company financial statements of Matching Maximize Solution Public Company Limited and its subsidiaries and of Matching Maximize Solution Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2015, and the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Matching Maximize Solution Public Company Limited and its subsidiaries and of Matching Maximize Solution Public Company Limited as at 31 December 2015, and the consolidated and company results of operations and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Kajornkiet Aroonpirodkul

Certified Public Accountant (Thailand) No. 3445

PricewaterhouseCoopers ABAS Ltd.

Bangkok

19 February 2016

Statements of Financial Position

Matching Maximize Solution Public Company Limited

As at 31 December 2015

	Notes	Consolidated		Company	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	210,160,262	316,768,588	113,899,935	110,060,954
Short-term investments	8	40,739,853	100,501,256	40,693,920	100,456,214
Restricted cash - current portion	9	1,455,200	1,134,800	1,455,200	1,134,800
Trade and other receivables, net	10	151,707,798	167,440,500	36,642,423	43,235,752
Short-term loans to subsidiaries, net	33.6	-	-	146,950,000	168,020,064
Inventories, net	11	11,847,087	7,369,105	2,115,431	3,058,761
VAT receivable		3,047,114	1,544,831	-	-
Withholding tax deducted at sources, net		15,310,770	6,308,729	7,688,292	4,548,209
Other current assets		3,462,346	3,223,286	66,593	130,551
Total current assets		437,730,430	604,291,095	349,511,794	430,645,305
Non-current assets					
Investments in subsidiaries, net	12	-	-	835,256,037	782,559,063
Investment in joint venture, net	13	8,420,396	5,712,783	-	-
Restricted cash - non current portion	9	1,870,871	2,598,471	1,774,871	2,502,471
Investment properties, net	14	10,249,564	10,249,564	-	-
Property, plant, and equipment, net	15	629,149,551	577,279,306	59,473,861	71,952,912
Assets for rent, net	16	326,932,163	290,808,195	-	-
Intangible assets, net	17	605,657	798,940	419,828	230,148
Deferred tax assets	18	3,163,950	1,828,436	2,555,168	1,610,939
Other non-current assets		2,538,253	3,154,569	421,520	531,520
Total non-current assets		982,930,405	892,430,264	899,901,285	859,387,053
Total assets		1,420,660,835	1,496,721,359	1,249,413,079	1,290,032,358

Statements of Financial Position (Cont'd)

Matching Maximize Solution Public Company Limited

As at 31 December 2015

	Notes	Consolidated		Company	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
		Baht	Baht	Baht	Baht
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts	21	12,775,471	-	-	-
Trade and other payables	19	41,562,770	54,119,424	8,935,509	13,209,725
Current portion of long-term borrowing					
from financial institution	21 (b)	19,128,000	18,120,000	-	-
Current portion of liability					
under finance lease	21 (c)	3,758,056	518,553	569,404	518,553
Accrued income tax		-	3,105,534	-	-
Other current liabilities	20	17,350,634	17,722,658	4,844,362	4,843,379
Total current liabilities		94,574,931	93,586,169	14,349,275	18,571,657
Non-current liabilities					
Long-term borrowing from					
financial institution	21 (b)	51,454,000	66,170,000	-	-
Liability under finance lease	21 (c)	14,971,957	1,821,507	1,252,103	1,821,507
Deferred tax liabilities	18	-	832,341	-	-
Employee benefit obligations	22	27,946,905	18,850,325	10,366,925	5,636,350
Deferred income from sales and leaseback	21 (c)	1,326,698	-	-	-
Total non-current liabilities		95,699,560	87,674,173	11,619,028	7,457,857
Total liabilities		190,274,491	181,260,342	25,968,303	26,029,514

Statements of Financial Position (Cont'd)

Matching Maximize Solution Public Company Limited

As at 31 December 2015

		Consolidated		Company	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
	Notes	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity (Cont'd)					
Shareholders' equity					
Share capital					
Authorised share capital					
Ordinary shares, 535 million shares					
at par value of Baht 1 each	23	535,000,000	535,000,000	535,000,000	535,000,000
Issued and fully paid-up share capital					
Ordinary shares, 531.63 million shares					
paid-up of Baht 1 each	23	531,629,851	531,629,851	531,629,851	531,629,851
Share premium	23	658,317,844	658,317,844	658,317,844	658,317,844
Retained earnings					
Appropriated - legal reserve	24	10,658,657	8,309,781	10,658,657	8,309,781
Unappropriated		29,231,739	116,007,783	22,838,424	65,745,368
Equity attributable to owners of the parent		1,229,838,091	1,314,265,259	1,223,444,776	1,264,002,844
Non-controlling interests	12	548,253	1,195,758	-	-
Total shareholders' equity		1,230,386,344	1,315,461,017	1,223,444,776	1,264,002,844
Total liabilities and shareholders' equity		1,420,660,835	1,496,721,359	1,249,413,079	1,290,032,358

Statements of Comprehensive Income

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2015

	Notes	Consolidated		Company	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
		Baht	Baht	Baht	Baht
Revenue					
Services income		564,123,542	635,885,724	124,947,766	156,058,049
Sales		35,747,523	48,078,685	-	-
Total revenue		599,871,065	683,964,409	124,947,766	156,058,049
Cost of sales and services					
Cost of providing services		(396,720,697)	(410,271,093)	(83,562,325)	(86,057,248)
Cost of sales		(29,580,654)	(36,614,714)	-	-
Total cost of sales and services		(426,301,351)	(446,885,807)	(83,562,325)	(86,057,248)
Gross profit		173,569,714	237,078,602	41,385,441	70,000,801
Other income	25	7,471,386	19,586,071	61,850,907	84,693,773
Selling expenses		(23,165,651)	(25,026,154)	(3,689,407)	(4,722,891)
Administrative expenses		(180,753,475)	(181,994,569)	(88,543,434)	(99,627,780)
Other expenses	28	(5,614,108)	(408,831)	(19,049,127)	(5,492,914)
Finance costs	26	(6,361,989)	(2,389,559)	(198,645)	(631,928)
Share of loss on investment in joint ventures	13	(9,792,287)	(6,787,317)	-	-
Profit (loss) before income tax		(44,646,410)	40,058,243	(8,244,265)	44,219,061
Income tax	29	(6,240,229)	(10,696,454)	140,094	2,758,459
Net profit (loss) for the year		(50,886,639)	29,361,789	(8,104,171)	46,977,520
Other comprehensive loss:					
Item that will not be classified to profit or loss:					
Remeasurement of retirement benefit obligations, net of tax		(4,950,429)	-	(3,216,537)	-
Total comprehensive income (loss) for the year		(55,837,068)	29,361,789	(11,320,708)	46,977,520

Statements of Comprehensive Income (Cont'd)

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2015

		Consolidated		Company	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
	Notes	Baht	Baht	Baht	Baht
Net profit (loss) attributable to:					
Owners of the parent		(50,239,134)	29,466,031	(8,104,171)	46,977,520
Non-controlling interest in subsidiaries		(647,505)	(104,242)	-	-
		(50,886,639)	29,361,789	(8,104,171)	46,977,520
Total comprehensive income (loss) attributable to:					
Owners of the parent		(55,189,563)	29,466,031	(11,320,708)	46,977,520
Non-controlling interest in subsidiaries		(647,505)	(104,242)	-	-
		(55,837,068)	29,361,789	(11,320,708)	46,977,520
		Baht	Baht	Baht	Baht
Earnings (loss) per share	30				
Basic earnings (loss) per share		(0.09)	0.06	(0.02)	0.09
Diluted earnings per share		Nil	0.06	Nil	0.09

Statements of Changes in Shareholders' Equity

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2015

Consolidated								
	Notes	Attributable to owners of the parent					Non- controlling interests	Total
		Issued and paid-up share capital	Share premium	Retained earnings		Total owners of the parent		
				Appropriated - legal reserve	Unappropriated			
		Baht	Baht	Baht	Baht	Baht	Baht	Baht
Balance as at 1 January 2014		469,244,974	640,039,105	5,012,705	136,990,502	1,251,287,286	933,969	1,252,221,255
Changes in equity for year 2014								
Warrant exercised		62,384,877	18,278,739	-	-	80,663,616	-	80,663,616
Legal reserve	24	-	-	3,297,076	(3,297,076)	-	-	-
Dissolution of subsidiaries	12	-	-	-	-	-	(933,969)	(933,969)
Investment by non-controlling interests in a new subsidiary	12	-	-	-	-	-	1,300,000	1,300,000
Dividends	31	-	-	-	(47,151,674)	(47,151,674)	-	(47,151,674)
Total comprehensive income (loss) for the year		-	-	-	29,466,031	29,466,031	(104,242)	29,361,789
Closing balance as at 31 December 2014		531,629,851	658,317,844	8,309,781	116,007,783	1,314,265,259	1,195,758	1,315,461,017
Changes in equity for year 2015								
Legal reserve	24	-	-	2,348,876	(2,348,876)	-	-	-
Dividends	31	-	-	-	(29,237,605)	(29,237,605)	-	(29,237,605)
Total comprehensive loss for the year		-	-	-	(55,189,563)	(55,189,563)	(647,505)	(55,837,068)
Closing balance as at 31 December 2015		531,629,851	658,317,844	10,658,657	29,231,739	1,229,838,091	548,253	1,230,386,344

Statements of Changes in Shareholders' Equity (Cont'd)

Matching Maximize Solution Public Company Limited
For the year ended 31 December 2015

	Notes	Company				
		Issued and paid-up share capital	Share premium	Retained earnings		Total
				Appropriated - legal reserve	Unappropriated	
		Baht	Baht	Baht	Baht	Baht
Balance as at 1 January 2014		469,244,974	640,039,105	5,012,705	69,215,653	1,183,512,437
Changes in equity for the year 2014						
Warrant exercised		62,384,877	18,278,739	-	-	80,663,616
Legal reserve	24	-	-	3,297,076	(3,297,076)	-
Dividends	31	-	-	-	(47,150,729)	(47,150,729)
Total comprehensive income for the year		-	-	-	46,977,520	46,977,520
Closing balance as at 31 December 2014		531,629,851	658,317,844	8,309,781	65,745,368	1,264,002,844
Changes in equity for the year 2015						
Legal reserve	24	-	-	2,348,876	(2,348,876)	-
Dividends	31	-	-	-	(29,237,360)	(29,237,360)
Total comprehensive loss for the year		-	-	-	(11,320,708)	(11,320,708)
Closing balance as at 31 December 2015		531,629,851	658,317,844	10,658,657	22,838,424	1,223,444,776

Statements of Cash Flows

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2015

	Notes	Consolidated		Company	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit (loss) before income tax expense		(44,646,410)	40,058,243	(8,244,265)	44,219,061
Adjustments for:					
Bad debt expenses and doubtful accounts (reversal)		6,255,591	8,264,691	(9,434)	(170,688)
Depreciation and amortisation charge	27	71,957,258	61,470,855	10,646,205	10,296,815
Provision of goods returns (reversal)	10	(466,838)	88,587	-	-
Allowance for decrease in value of inventory	11	558,948	-	-	-
Allowance for impairment of investment		-	-	27,803,026	26,901,776
Reversal of allowance for impairment of investment		-	(87,909)	-	-
Loss from write-off of withholding tax (reversal)		431,243	139,946	67,200	10,136
Provision for withholding tax deducted at sources (reversal)		(197,541)	(52,459)	(124,701)	-
Reversal of allowance for doubtful accounts	33.6	-	-	(14,367,127)	(21,408,862)
Gain from change in fair value of trading securities	25	-	(14,391,499)	-	(14,391,499)
Share of loss of investments in joint venture	13	9,792,287	6,787,317	-	-
Dividends income	25	-	-	(45,499,755)	(56,136,046)
Gain from disposal of property, plant and equipment		(16,637)	(387,209)	(16,637)	(34,292)
Gain from disposal of assets for rent		(290,510)	(159,806)	-	-
Realise deferred income from sale and leaseback	21 (c)	(144,827)	-	-	-
Loss from write-off of equipment		5,645,518	4,989	5,629,866	-
Loss from write-off of assets for rent		215,576	563,649	-	-
Interest income		(4,948,670)	(2,263,665)	(13,786,350)	(12,552,330)
Finance costs	26	6,361,989	2,389,559	198,645	631,928
		50,506,977	102,425,289	(37,703,327)	(22,634,001)
Change in operating assets and liabilities:					
- Trade and other receivables		9,990,932	(16,038,879)	6,801,771	9,108,806
- Inventories and productions in progress		(5,036,930)	2,202,754	943,330	106,248
- VAT receivable		(1,502,283)	(1,342,737)	-	-
- Other current assets		(239,060)	(1,855,900)	63,958	(41,532)
- Restricted cash	9	407,200	(934,800)	407,200	(1,134,800)
- Other non-current assets		616,316	(434,291)	110,000	920,264
- Trade and other payables	19	(7,368,037)	(6,765,919)	(4,912,647)	(1,850,994)
- Other current liabilities		(372,025)	4,202,396	983	39,833
- Employee benefit obligations		2,894,569	3,330,523	709,904	2,107,673

Statements of Cash Flows (Cont'd)

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2015

	Notes	Consolidated		Company	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
		Baht	Baht	Baht	Baht
Cash flows from operating activities		49,897,659	84,788,436	(33,578,828)	(13,378,503)
Interest received		3,395,030	989,488	1,899,030	656,023
Interest paid		(6,375,234)	(2,313,639)	(198,645)	(631,928)
Withholding tax refunded		901,392	1,477,450	556,304	1,040,461
Corporate income tax paid		(20,399,171)	(17,073,250)	(3,638,887)	(3,924,705)
Net cash generated from (used in) operating activities		27,419,676	67,868,485	(34,961,026)	(16,238,652)
Cash flows from investing activities					
Cash payment for short-term investments		-	(99,095,814)	-	(100,075,524)
Cash received from short-term investments		59,761,403	726,204,902	59,762,294	726,204,902
Cash payment for short-term loans to subsidiaries	33.6	-	-	(24,200,000)	(93,246,000)
Cash received from short-term loans to subsidiaries	33.6	-	-	59,446,000	90,970,000
Cash payment for investment in subsidiaries	12	-	-	(80,500,000)	(623,200,000)
Cash payment for investment in joint venture	13	(12,499,900)	(12,500,100)	-	-
Proceeds from dissolution of a subsidiary	12	-	-	-	698,224
Cash received from non-controlling interest		-	1,300,000	-	-
Payment to non-controlling interest due to dissolution of a subsidiary	12	-	(933,969)	-	-
Cash payment for purchases of equipment		(75,867,964)	(497,265,801)	(3,092,014)	(16,128,945)
Cash payment for purchases of assets for rent		(93,394,004)	(89,446,154)	-	-
Cash payment for purchases of intangible assets	17	(335,550)	(151,800)	(257,750)	(151,800)
Proceeds from disposal of equipment		28,412	490,685	18,132	12,184,299
Proceeds from disposal of assets for rent		553,125	1,353,796	-	-
Interest received from short-term investments		1,506,657	1,178,233	1,274,039	231,538
Interest received from short-term loans to subsidiaries	33.6	-	-	10,605,464	11,833,127
Dividends received from subsidiaries	25	-	-	45,499,755	56,136,046
Net cash generated from (used in) investing activities		(120,247,821)	31,133,978	68,555,920	65,455,867

Statements of Cash Flows (Cont'd)

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2015

	Notes	Consolidated		Company	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
		Baht	Baht	Baht	Baht
Cash flows from financing activities					
Bank overdrafts		12,775,471	(4,518,806)	-	-
Cash received from short-term borrowing from subsidiary	33.7	-	-	-	4,200,000
Cash received from short-term borrowing from financial institution	21 (a)	-	32,000,000	-	32,000,000
Cash received from sales and leaseback	21 (c)	19,730,755	-	-	-
Repayments to short-term borrowing from subsidiaries	33.7	-	-	-	(4,200,000)
Repayments to short-term borrowing from financial institution	21 (a)	-	(32,000,000)	-	(32,000,000)
Cash received from long-term borrowing from financial institution	21 (b)	5,000,000	90,000,000	-	-
Repayments to long-term borrowing from financial institution	21 (b)	(18,708,000)	(6,107,000)	-	-
Repayments to liability under finance lease	21 (c)	(3,340,802)	(472,242)	(518,553)	(472,242)
Cash received from issuance of ordinary shares	23	-	80,663,616	-	80,663,616
Dividends payments	31	(29,237,605)	(47,151,674)	(29,237,360)	(47,150,729)
Net cash generated from (used in) financing activities		(13,780,181)	112,413,894	(29,755,913)	33,040,645
Net increase (decrease) in cash and cash equivalents		(106,608,326)	211,416,357	3,838,981	82,257,860
Opening balance of cash and cash equivalents		316,768,588	105,352,231	110,060,954	27,803,094
Closing balance of cash and cash equivalents		210,160,262	316,768,588	113,899,935	110,060,954

Non-cash transactions

Outstanding payable arising from purchases of equipment	990,670	1,067,113	742,066	103,635
Outstanding payable arising from purchases of assets for rent	436,833	5,535,761	-	-
Acquisition of equipment by means of finance lease	19,730,755	-	-	-

Notes to the Consolidated and Company Financial Statements

Matching Maximize Solution Public Company Limited

For the year ended 31 December 2015

1 General information

Matching Maximize Solution Public Company Limited, (the "Company") is a public limited company which is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows:

Head office: located 305/10 Soi Sukhothai 6, Sukhothai Road, Dusit, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as "the Group".

The Group is principally engaged in the business of television programs, advertisement films production, post production, providing film production equipment for rent and providing related services, production and distribution of magazines.

The Group consolidated and company financial statements were authorised for issue by the Board of Directors on 19 February 2016.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and company financial statements are set out below:

2.1 Basis of preparation

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2 Accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

An English version of the consolidated and company financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 New financial reporting standards and revised financial reporting standards

2.2.1 New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the group.

a) Financial reporting standards, which have a significant changes are as follows:

TAS 1 (revised 2014)	Presentation of financial statements
TAS 16 (revised 2014)	Property, plant and equipment
TAS 19 (revised 2014)	Employee benefits
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 34 (revised 2014)	Interim financial reporting
TFRS 10	Consolidated financial statements
TFRS 12	Disclosure of interests in other entities
TFRS 13	Fair value measurement

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.

TAS 16 (revised 2014) indicates that spare part, stand-by equipment and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory. This standard has no impact to the group.

TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period.

TAS 28 (revised 2014) provide the requirements for investment in associates and joint ventures accounted by equity method.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.1 New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the group. (Cont'd)

a) Financial reporting standards, which have a significant changes are as follows: (Cont'd)

TAS 34 (revised 2014), the key change is the disclosure requirements for operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment.

TFRS 10 has a single definition of control and supersedes the principles of control and consolidation included within the original TAS 27, 'Consolidated and separate financial statements'. The standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. This standard has no impact to the group.

TFRS 12 require entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. This standard has no impact to the group.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. This standard has no impact to the group, except for disclosures.

b) Financial reporting standards with minor changes and do not have impact to the group are as follows:

TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of cash flows
TAS 8 (revised 2014)	Accounting policies, changes in accounting estimates and errors

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.1 New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the group. (Cont'd)

b) Financial reporting standards with minor changes and do not have impact to the group are as follows: (Cont'd)

TAS 10 (revised 2014)	Events after the reporting period
TAS 12 (revised 2014)	Income taxes
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 21 (revised 2014)	The effects of changes in foreign exchange rates
TAS 23 (revised 2014)	Borrowing costs
TAS 24 (revised 2014)	Related party disclosures
TAS 33 (revised 2014)	Earnings per share
TAS 36 (revised 2014)	Impairment of assets
TAS 37 (revised 2014)	Provisions, contingent liabilities and contingent assets
TAS 38 (revised 2014)	Intangible assets
TAS 40 (revised 2014)	Investment property
TFRS 3 (revised 2014)	Business combinations
TFRS 8 (revised 2014)	Operating segments
TSIC 15 (revised 2014)	Operating leases - Incentives
TSIC 27 (revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 31 (revised 2014)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2014)	Intangible assets - Web site costs
TFRIC 10 (revised 2014)	Interim financial reporting and impairment

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.2 New financial reporting standards, revised accounting standards and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the group and are not early adopted:

a) Financial reporting standards, which have a significant changes are as follows:

TAS 16 (revised 2015)	Property, plant and equipment
TAS 19 (revised 2015)	Employee benefits
TAS 24 (revised 2015)	Related party disclosures
TAS 36 (revised 2015)	Impairment of assets
TAS 38 (revised 2015)	Intangible assets
TAS 40 (revised 2015)	Investment property
TFRS 8 (revised 2015)	Operating segments
TFRS 10 (revised 2015)	Consolidated financial statements
TFRS 12 (revised 2015)	Disclosure of interests in other entities
TFRS 13 (revised 2015)	Fair value measurement

TAS 16 (revised 2015), 'Property, plant and equipment' clarifies how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

TAS 19 (revised 2015), 'Employee benefits' is amended to apply to contributions from employees or third parties to defined benefit plans and to clarify the accounting treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period.

TAS 24 (revised 2015), 'Related party disclosures' includes as a related party an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required.

TAS 36 (revised 2015), 'Impairment of assets' is amended to provide additional disclosure requirement when the recoverable amount of the assets is measured at fair value less costs of disposal. The disclosures include 1) the level of fair value hierarchy, 2) when fair value measurement categorised within level 2 and level 3, disclosures is required for valuation technique and key assumption.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.2 New financial reporting standards, revised accounting standards and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the group and are not early adopted: (Cont'd)

a) Financial reporting standards, which have a significant changes are as follows: (Cont'd)

TAS 38 (revised 2015), 'Intangible assets' is amended to clarify how the gross carrying amount and the accumulated amortisation are treated where an entity uses the revaluation model.

TAS 40 (revised 2015), 'Investment property' clarifies that TFRS 3 should be applied when determining whether an acquisition of an investment property is a business combination.

TFRS 8 (revised 2015), 'Operating segments' requires disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported to chief operating decision maker.

TFRS 10 (revised 2015) 'Consolidated financial statements' is amended to define an investment entity and introduce an exception from consolidation. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss.

TFRS 12 (revised 2015) introduces disclosures that an investment entity needs to disclose.

TFRS 13 (revised 2015), 'Fair value measurement' is amended to clarify that the portfolio exception in TFRS 13 applies to all contracts (including non-financial contracts) within the scope of TAS 39 (when announced) or IFRS 9 (when announced).

b) Financial reporting standards with minor changes and do not have impact to the group are as follows:

TAS 1 (revised 2015)	Presentation of financial statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of cash flows
TAS 8 (revised 2015)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2015)	Events after the reporting period
TAS 12 (revised 2015)	Income taxes
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.2 New financial reporting standards, revised accounting standards and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the group and are not early adopted: (Cont'd)

b) Financial reporting standards with minor changes and do not have impact to the group are as follows: (Cont'd)

TAS 21 (revised 2015)	The effects of changes in foreign exchange rates
TAS 23 (revised 2015)	Borrowing costs
TAS 28 (revised 2015)	Investments in associates and joint ventures
TAS 33 (revised 2015)	Earnings per share
TAS 34 (revised 2015)	Interim financial reporting
TAS 37 (revised 2015)	Provisions, contingent liabilities and contingent assets
IFRS 11 (revised 2015)	Joint arrangements
TSIC 15 (revised 2015)	Operating leases - Incentives
TSIC 27 (revised 2015)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 31 (revised 2015)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2015)	Intangible assets - Web site costs
IFRIC 10 (revised 2015)	Interim financial reporting and impairment

2.3 Group Accounting - Investments in subsidiaries

(1) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

2 Accounting policies (Cont'd)

2.3 Group Accounting – Investments in subsidiaries (Cont'd)

(1) Subsidiaries (Cont'd)

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the company's separated financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A list of the Group's subsidiaries and the effects from disposals of subsidiaries are shown in Note 12.

2 Accounting policies (Cont'd)

2.3 Group Accounting – Investments in subsidiaries (Cont'd)

(2) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(3) Joint arrangements

The group has applied TFRS11 to all joint arrangements as of 1 January 2015. Under TFRS11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The company has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long - term interests that, in substance, form part of the group's net investment in the joint ventures), the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the group.

The change in accounting policy has been applied as from 1 January 2015.

2.4 Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using Thai Baht. The consolidated financial statements are presented in Thai Baht.

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the statement of financial position date. Gains and losses resulting from the settlement of foreign currency transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the profit or loss.

2 Accounting policies (Cont'd)

2.5 Cash and cash equivalents

In the consolidated and Company statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated and Company statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.6 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within selling and administrative expenses.

2.7 Inventories and productions in progress

a) Camera for production and accessories

Camera for production and accessories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. Net realizable value is the estimate of the selling price in the ordinary course of business less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

b) TV programs and event production

TV programs ready for broadcasts or sales and TV programs and event production in progress are stated at production cost which is directly attributable to the program production. The cost will be recognised in the income statement when broadcast or sale and show has been performed.

c) Pocketbook and magazines in progress

Pocketbook and magazines in progress are stated at the lower of cost and net realisable value. Cost is determined by specific identification. The cost of pocketbook and magazines in progress comprises design costs, raw materials, direct labour, other direct costs and related production overhead (based on normal capacity). Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2 Accounting policies (Cont'd)

2.8 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Land is classified and accounted for by the Group as investment property when the definition of investment property is met.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at cost less any accumulated impairment loss.

2.9 Land, building and equipment and assets for rent

Land, building and equipment and assets for rent are measured initially at their cost less any accumulated depreciation. Land is not depreciated. Depreciation is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building and equipment

Production equipment	5 years
Computers	5 years
Furniture fixture and office equipment	5 years
Motor vehicles	5 years
Office building, studio building and leasehold building improvement	20 years
Leasehold studio building improvement	20 years

Asset for rent

Production equipment	5, 10 years
Supply for film production	3 years
Motor vehicles	10 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2 Accounting policies (Cont'd)

2.9 Land, building and equipment and assets for rent (Cont'd)

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.12).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains - net' in profit or loss.

2.11 Intangible assets

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives 5 years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Group and will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads.

Other intangible assets

Cost incurred on web-site development are recognised as intangible asset and are amortised using the straight-line method over their estimated useful lives of 3 - 5 years.

2.12 Impairment of assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment. Land, building and equipment, assets for rent, and non-financial assets including intangible assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 Accounting policies (Cont'd)

2.13 Leases - where a Group company is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Leases of equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

Leases - where a Group company is the lessor

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.14 Borrowings

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

2.15 Employee benefits

Retirement benefits

Group companies operate various retirement benefits schemes. The Group has both defined benefit and defined contribution plans.

A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act, B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 Accounting policies (Cont'd)

2.15 Employee benefits (Cont'd)

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

2.16 Provision

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17 Provision for goods returns

Provision for goods returns is estimated based on historical experience and other relevant market factors. Provision for goods returns are provided for the sales profit margins and presented netting of sales.

2.18 Revenue recognition

Revenue of the Group consist principally revenue from advertising, television program, advertising films production, concerts and event organising, rental of equipment, sales of pocket book, magazines and other goods.

2 Accounting policies (Cont'd)

2.18 Revenue recognition (Cont'd)

Revenue from advertising and television program are recognised when the advertisement or program is broadcasted.

Revenue from advertising films production is recognised when significant risks and rewards of ownership of the advertising production are transferred to the buyer. Revenue from altering tape and sound recording are recognised when completed.

Revenue from concerts and events organising are recognised when the shows are completed.

Revenue from rental of equipment is recognised when services are rendered. Rental with inclusive of service revenues are recognised based on portion of service rendered.

Revenue from sales of pocket books and magazines are shown net of returns and discounts. Revenue from sales of pocket books and magazines are recognised when significant risks and rewards of ownership of goods are transferred to the buyer. Revenue from barter service is revenues from the exchange of a dissimilar nature. The revenue is measured at the fair value of service received, adjusted by the amount of any cash or cash equivalents received or paid. Revenue from advertising in magazines and publishing media are recognised when advertisements are published.

Revenue from sales of other goods comprised the fair value of the consideration received or receivable for the sales of goods net of value-added tax, returns and discounts. Revenue from sales of other goods is recognised when significant risks and rewards of ownership of goods are transferred to the buyer.

Other income

Interest income is amortisation on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

Dividend income is recognised when the right to receive payment is established.

2.19 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 Accounting policies (Cont'd)

2.19 Current and deferred income taxes (Cont'd)

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.20 Dividend payment

Dividend payment is recorded in the consolidated and company financial statements in the period in which they are approved by the shareholders.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors committee that makes strategic decisions.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: credit risk, interest rate risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.1 Credit risk

The Group has no significant concentrations of credit risks due to the large number of customer from which the income is charged in cash. The Group has policies in place to ensure that sales of products and services are made to customers with appropriate credit history. Cash transactions are limited to high credit quality financial institutions.

3.1.2 Interest rate risk

The Group's income and operating cash flows are not substantially independent of changes in market interest rates. Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The loan interest rates of the Group are mainly floated. The Group does not use the interest rate derivative to manage exposure from fluctuation in interest rate on specific borrowing.

3.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

3.2 Fair value estimation

Analysis of assets and liabilities carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

See note 14 and note 21 for disclosure of the investment properties and borrowings that are disclosed at fair value.

4 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4 Critical accounting estimates, assumptions and judgements (Cont'd)

4.1 Impairment of receivables

The Group maintains an allowance for doubtful accounts to reflect impairment of trade receivables relating to estimated losses resulting from the inability of customers to make required payments. The allowance for doubtful accounts is significantly impacted by the Group's assessment of future cash flows, such assessment being based on consideration of historical collection experience, known and identified instances of default and consideration of market trends.

4.2 Provision for goods returns

The management has estimated the provision for goods returns in relation to magazines. The percentage of goods returned is estimated based on historical information, experiences and existing business models.

4.3 Property and equipment, and intangible assets

Management determines the estimated useful lives and residual values for the Group's property and equipment, and intangible assets. Management will revise the depreciation charge where useful lives and residual values are different from previously estimation, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

4.4 Employee benefit obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 22.

5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

6 Segment information

Financial statements by business segment

	Advertisement films production	Television programs	Show/events organizing	Rental and service	Sales of products	Sales of magazines	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2015								
Revenues								
Gross segment revenues	6,538,150	125,592,468	47,607,056	383,194,798	5,770,606	30,059,098	9,851,923	608,614,099
Inter-segment revenues	-	(644,000)	(2,113,434)	(5,683,418)	(81,782)	(400)	(220,000)	(8,743,034)
Net revenues	6,538,150	124,948,468	45,493,622	377,511,380	5,688,824	30,058,698	9,631,923	599,871,065
Segment result	(2,564,240)	18,260,807	5,784,975	37,068,183	2,423,905	(12,312,967)	(8,723,736)	39,936,927
Other income								7,471,386
Interest paid								(6,361,989)
Unallocated cost/expenses								(75,252,942)
Share of loss of investment in joint ventures								(9,792,287)
Income tax expense								(6,240,229)
Loss attributable to owners of the parent								(50,239,134)
Loss attributable to non-controlling interests								(647,505)
Loss for the year								(50,886,639)

6 Segment information (Cont'd)

Financial statements by business segment (Cont'd)

	Advertisement films production	Television programs	Show/events organizing	Rental and service	Sales of products	Sales of magazines	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Segment for assets								
Building and equipment, net	588,862	60,106,729	436,304	545,576,207	-	1,714,906	20,726,543	629,149,551
Assets for rent, net	-	-	-	326,932,163	-	-	-	326,932,163
Other assets	30,994,903	267,629,338	7,376,722	128,257,253	9,118,104	14,548,873	6,653,928	464,579,121
Segment for liabilities								
Outstanding payable arising from purchases of fixed assets	-	742,066	-	685,437	-	-	-	1,427,503
Long-term loan	-	-	-	66,170,000	-	-	4,412,000	70,582,000
Other liabilities	812,567	32,504,266	560,155	53,238,455	-	16,615,732	14,533,813	118,264,988
Depreciation and amortisation	174,361	10,670,041	163,283	55,862,334	-	980,879	4,106,360	71,957,258
Capital expenditure	13,160	60,873,681	300,200	113,174,708	-	472,539	9,318,614	184,152,902

6 Segment information (Cont'd)

Financial statements by business segment (Cont'd)

	Advertisement films production	Television programs	Show/events organizing	Rental and service	Sales of products	Sales of magazines	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2014								
Revenues								
Gross segment revenues	47,769,616	155,344,547	51,334,945	395,621,466	7,976,793	40,630,089	320,000	698,997,456
Inter-segment revenues	(3,400,000)	(1,735,000)	(1,422,400)	(7,627,450)	(528,197)	-	(320,000)	(15,033,047)
Net revenues	44,369,616	153,609,547	49,912,545	387,994,016	7,448,596	40,630,089	-	683,964,409
Segment result	11,371,924	50,468,283	(1,336,458)	63,020,539	2,662,906	(4,793,572)	(1,839,158)	119,554,464
Other income								19,586,071
Interest paid								(2,389,559)
Unallocated cost/expenses								(89,801,174)
Share of loss of investment in joint ventures								(6,787,317)
Income tax expense								(10,696,454)
Profit attributable to owners of the parent								29,466,031
Loss attributable to non-controlling interests								(104,242)
Profit for the year								29,361,789

6 Segment information (Cont'd)

Financial statements by business segment (Cont'd)

	Advertisement films production	Television programs	Show/events organizing	Rental and service	Sales of products	Sales of magazines	Post production	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Segment for assets								
Building and equipment, net	750,064	87,080,729	303,713	471,506,653	-	2,068,092	15,570,055	577,279,306
Assets for rent, net	-	-	-	290,808,195	-	-	-	290,808,195
Other assets	47,735,347	379,557,417	14,002,536	164,910,533	3,029,280	15,368,376	4,030,369	628,633,858
Segment for liabilities								
Outstanding payable arising from purchases of fixed assets	-	103,634	-	5,650,957	-	-	-	5,754,591
Long-term loan	-	-	-	84,290,000	-	-	-	84,290,000
Other liabilities	3,222,707	26,563,726	3,495,740	49,939,250	-	6,790,181	1,204,147	91,215,751
Depreciation and amortisation	174,777	10,245,066	102,104	49,897,492	-	1,048,852	2,564	61,470,855
Capital expenditure	252,557	479,875,974	118,188	90,878,455	-	862,211	15,572,620	587,560,005

Unallocated costs represent corporate expenses. Segment assets consist primarily property and equipment, assets for rent, short-term investments, and operating cash.

Liabilities mainly are trade and other payables purposed to be used for operating of all segments and for the Group's liquidity.

7 Cash and cash equivalents

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Cash on hand	625,000	615,000	390,000	390,000
Deposits held at call with banks	188,172,403	229,106,247	113,202,923	109,433,678
Fixed deposit accounts	21,362,859	7,047,341	307,012	237,276
Bill of exchange - 3 months	-	80,000,000	-	-
Cash and cash equivalents	210,160,262	316,768,588	113,899,935	110,060,954

As at 31 December 2015, deposits held at call with banks carry interest at the rate ranging from 0.50% to 1.90% per annum (2014: 0.375% per annum). Fixed deposit accounts carry interest at the rate ranging from 0.875% to 1.80% per annum (2014: 1.50% per annum). Bill of exchange carries interest at the rate of 2.25% per annum (2014: 2.25% per annum).

8 Short-term investments

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Fixed deposit - 6 months	40,693,920	100,456,214	40,693,920	100,456,214
Fixed deposit - 12 months	45,933	45,042	-	-
Investments	40,739,853	100,501,256	40,693,920	100,456,214

The interest rates on fixed deposit are ranging from 1.50% to 1.90% per annum (2014: 1.50% per annum).

9 Restricted cash

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Restricted cash - current portion	1,455,200	1,134,800	1,455,200	1,134,800
Restricted cash - non-current portion	1,870,871	2,598,471	1,774,871	2,502,471

The Group has pledged the deposits with local banks as collateral for letters of bank guarantee issued by those banks in respect of project performance and for electricity usage. The restricted cash for project which is expected to complete within one year is classified as current portion.

10 Trade and other receivables, net

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Trade accounts receivable				
Other companies	170,685,633	171,368,220	42,650,359	45,629,293
Accrued income	800,950	5,812,396	-	330,000
<u>Less</u> Advances received	(10,914,623)	(3,932,696)	(6,241,582)	(2,879,712)
Allowance for doubtful accounts	(19,466,387)	(13,207,762)	(2,366,341)	(2,391,817)
Provision for goods returns	(730,275)	(1,197,113)	-	-
Trade accounts receivable and accrued income, net	140,375,298	158,843,045	34,042,436	40,687,764
Prepaid expenses	5,027,804	4,097,789	1,087,688	921,168
Other receivables	6,548,056	4,499,666	1,528,342	1,626,820
<u>Less</u> Allowance for doubtful accounts	(243,360)	-	(16,043)	-
Trade and other receivables, net	151,707,798	167,440,500	36,642,423	43,235,752

Outstanding trade accounts receivable and accrued income can be analysed as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Account receivables				
Current	93,336,929	107,051,974	31,779,837	37,135,177
Overdue less than 3 months	46,316,375	46,987,247	8,504,181	6,102,299
Overdue 3 to 6 months	11,114,961	4,315,323	-	-
Overdue 6 to 12 months	4,334,289	985,362	-	-
Overdue over 12 months	15,583,079	12,028,314	2,366,341	2,391,817
Trade accounts receivable	170,685,633	171,368,220	42,650,359	45,629,293

11 Inventories, net

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Camera for production and accessories	9,118,104	3,029,281	-	-
TV programs production in progress	2,115,431	3,143,541	2,115,431	3,058,761
Advertisement production in progress	210,997	210,000	-	-
Magazines in progress	8,040	109,175	-	-
Event production in progress	390,369	2,620	-	-
Pocketbook	558,948	807,600	-	-
Others	4,146	66,888	-	-
<u>Less</u> Allowance for decrease in value of inventory - pocketbook	(558,948)	-	-	-
	11,847,087	7,369,105	2,115,431	3,058,761

During 2015, there was no inventory written off (2014: nil).

12 Investments in subsidiaries, net

	Company	
	2015	2014
	Baht	Baht
Investments in subsidiaries	1,056,700,000	976,200,000
<u>Less</u> Allowance for impairment	(221,443,963)	(193,640,937)
Investments in subsidiaries, net	835,256,037	782,559,063
For the year ended 31 December		
Opening net book amount	782,559,063	186,959,063
Acquisition	80,500,000	623,200,000
Dissolution of subsidiaries	-	(77,600,000)
Reversal of impairment on investment in subsidiary	-	76,901,856
Impairment	(27,803,026)	(26,901,856)
Closing net book amount	835,256,037	782,559,063

12 Investment in subsidiaries (Cont'd)

The details of investments in subsidiaries are as follows:

Subsidiaries company	Type of business	Relationship	Paid up Share capital ('000)		% Ownership Interest		31 December 2015				31 December 2014			
							31 December 2015	31 December 2014	Cost Method	Allowance for impairment	Net	Cost Method	Allowance for impairment	Net
			31 December 2015	31 December 2014	31 December 2015	31 December 2014								
Matching Entertainment Co., Ltd.	Events organiser	Direct shareholder	115,000	80,000	99.99	99.99	115,000,000	(107,803,026)	7,196,974	80,000,000	(80,000,000)	-	-	-
Gear Head Co., Ltd.	Provide services and renting of advertisement Production equipments	Direct shareholder	175,500	130,000	99.99	99.99	175,500,000	-	175,500,000	130,000,000	-	130,000,000	-	130,000,000
Matching Studio Plus Co., Ltd.	Production of films	Direct shareholder	158,000	158,000	99.99	99.99	158,000,000	(113,640,937)	44,359,063	158,000,000	(113,640,937)	44,359,063	-	44,359,063
Matching Broadcast Co., Ltd.	Production of TV programs	Direct shareholder	587,500	587,500	99.99	99.99	587,500,000	-	587,500,000	587,500,000	-	587,500,000	-	587,500,000
Book Maker Co., Ltd.	Production and distribution of magazines	Direct shareholder	2,000	2,000	99.99	99.99	2,000,000	-	2,000,000	2,000,000	-	2,000,000	-	2,000,000
Time Lapse Co., Ltd.	Production and edition of visual effect, audio visual of film	Direct shareholder	20,000	20,000	93.50	93.50	18,700,000	-	18,700,000	18,700,000	-	18,700,000	-	18,700,000
							1,056,700,000	(221,443,963)	835,256,037	976,200,000	(193,640,937)	782,559,063	-	782,559,063

All subsidiaries are incorporated in Thailand. All holdings are investments in ordinary shares.

12 Investment in subsidiaries (Cont'd)

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

The total non-controlling interest as at 31 December 2015 of Baht 548,253, is of an individual shareholder under Time Lapse Co., Ltd. which is not material.

2015

On 28 April 2015, the Annual General Meeting of Shareholders of Gear Head Co., Ltd. approved to increase the authorised share capital from 1,300,000 ordinary shares with a par value of Baht 100 per share to 1,755,000 ordinary shares with a par value of Baht 100 per share, totalling Baht 175.50 million. The Company has subscribed all the newly issued shares.

On 26 October 2015, the Extraordinary General Meeting of Shareholders No.2/2015 of Matching Entertainment Co., Ltd. approved to increase the authorised share capital from 800,000 ordinary shares with a par value of Baht 100 per share to 1,200,000 ordinary shares with a par value of Baht 100 per share, totalling Baht 120 million.

As at 31 December 2015, the Company paid Baht 35 million for subscription of 350,000 newly issue shares of the subsidiary. That subsidiary will use the proceed of Baht 40 million from capital increase to repay loan to the Company.

On 24 December 2015, the Extraordinary General Meeting of Shareholders No.2/2015 of Matching Studio Plus Co., Ltd. approved to decrease the authorised share capital from 1,580,000 ordinary shares with a par value of Baht 100 per share to 1,380,000 ordinary shares with a par value of Baht 100 per share, totalling Baht 138 million.

2014

On 20 May 2014, Matching Movie Town Co., Ltd., a subsidiary increased the authorised share capital from 500,000 ordinary shares with a par value of Baht 100 per share to 770,000 ordinary shares with a par value of Baht 100 per share, totalling Baht 27 million of additional capital. Subsequently, the Company recognised additional impairment loss of Baht 26.9 million on this investment. On 21 May 2014, that subsidiary used the proceed from capital increase to repay the loan from the Company, amounting to Baht 26 million. On 13 June 2014, Matching Movie Town Co., Ltd., had registered for liquidation with Ministry of Commerce and was dissolved on 16 September 2014. The Company received the capital return and retained earnings from Matching Movie Town Co., Ltd. amounting to Baht 98,143. The related allowance for impairment of Baht 76.9 million has been reversed.

12 Investment in subsidiaries (Cont'd)

On 10 July 2014, the Board of Directors passed a resolution to approve the establishment of a new subsidiary "Time Lapse Co., Ltd." and approved an investment of 187,000 ordinary shares at the par value of Baht 100 per share, representing 93.50% of the registered share capital of the subsidiary.

On 17 October 2014, the Extraordinary General Meeting of Shareholders No.3/2014 of Matching Broadcast Co., Ltd. approved to increase the authorised share capital from 100,000 ordinary share with a par value of Baht 100 per share to 7,800,000 ordinary share with a par value of Baht 100 per share, totalling Baht 780,000,000. As at 31 December 2014, the Company has paid Baht 577.5 million for subscription of 5,775,000 newly issue shares. That subsidiary will use the proceed of Baht 770,000,000 from capital increase to invest in the development of universal movie shooting project.

13 Investment in joint venture, net

Matching Studio Plus Co., Ltd. invested in 125,000 shares, representing 14.29% of issued and fully paid-up share capital in Transformation Film Co., Ltd. which is jointly controlled with other 3 parties.

Details of Transformation Film Co., Ltd. are as follows:

			Ownership interest	
Joint venture	Nature of business	Nature of relationship	31 December 2015	31 December 2014
			%	%
Transformation Film Co., Ltd.	Production of film, advertisement, television programmes, and providing entertainment services in all forms	Indirect shareholder	14.29	14.29

Joint venture is incorporated in Thailand. Holdings are investments in ordinary shares. Movements of investments in joint venture are as follows:

		Consolidated	
		2015	2014
		Baht	Baht
Investment in joint venture			
Opening net book amount		5,712,783	-
Investment during the year		12,499,900	12,500,100
Share of loss		(9,792,287)	(6,787,317)
Closing net book amount		8,420,396	5,712,783

On 13 February 2015, Matching Studio Plus Co., Ltd. paid Baht 12,499,900 for the called-up capital in joint venture.

13 Investment in joint venture, net (Cont'd)

Commitments and contingent liabilities in respect of joint ventures

The Group has the following commitments in relating to its joint ventures.

	Consolidated	
	2015	2014
	Baht	Baht
Commitment to provide funding if called Transformation Film Co., Ltd.	-	12,499,900

There are no contingent liabilities relating to the Group's interest in joint ventures.

Summarised financial information for joint ventures

Set out below are the summarised financial information of Transformation Film Co., Ltd. which is accounted for using the equity method.

Summarised statement of financial position

	As at 31 December	
	2015	2014
	Baht	Baht
Current assets and liabilities		
Cash and cash equivalents	32,156,771	76,925,194
Other current assets (excluding cash)	27,671,763	85,866,261
Total current assets	59,828,534	162,791,455
Other current liabilities (including trade payables)	(3,221,569)	(127,951,726)
Non-current assets and liabilities		
Assets	2,438,181	5,163,301
Other non-current liabilities	(67,571)	-
Net assets	58,977,575	40,003,030

13 Investment in joint venture, net (Cont'd)

Summarised statement of comprehensive income

	For the year ended 31 December	
	2015	2014
	Baht	Baht
Revenue	55,266,312	14,458,363
Cost	(62,474,111)	(25,291,020)
Other income	50,000	-
Interest income	231,839	142,895
Selling and administrative expenses	(59,736,652)	(32,940,667)
Depreciation and amortisation	(742,322)	(238,182)
Interest expense	(1,120,520)	(3,628,359)
Profit or loss from continuing operations	(68,525,454)	(47,496,970)
Income tax expense	-	-
Post-tax profit from continuing operations	(68,525,454)	(47,496,970)
Other comprehensive income	-	-
Total comprehensive loss	(68,525,454)	(47,496,970)

The information above reflects the amounts presented in the financial statements of the joint venture adjusted for differences in accounting policies between the group and the joint venture (and not the group's share of those amounts).

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in joint ventures.

	For the year ended 31 December	
	2015	2014
	Baht	Baht
Opening net assets 1 January	40,003,029	-
Investment during the year	87,500,000	87,500,000
Loss for the year	(68,525,454)	(47,496,970)
Closing net assets	58,977,575	40,003,030
Interest in joint venture (14.29%)	8,427,895	5,716,433
Carrying value	8,427,895	5,716,433

14 Investment properties, net

	Consolidated	
	2015	2014
	Baht	Baht
As at 31 December		
Land - Prachuap Khiri Khan Province	10,249,564	10,249,564
Land and building - Kanchanaburi Province	1,960,000	1,960,000
Total investment property	12,209,564	12,209,564
Less Allowance for impairment	(1,960,000)	(1,960,000)
Net book amount	10,249,564	10,249,564

A subsidiary owns two pieces of properties that are not utilised, with total cost of Baht 12.21 million, comprising land at Prachuap Khiri Khan Province of Baht 10.25 million, and land and building at Kanchanaburi Province of Baht 1.96 million.

For the years ended 31 December 2015 and 2014, there is no income or expense that is related to investment properties recognised in profit and loss.

Fair value hierarchy

The fair value measurement information in accordance with TFRS 13 are given below.

- Quoted prices in active markets for identical assets (level 1).
- Significant other observable inputs (level 2).
- Significant unobservable inputs (level 3).

	Consolidated	
	2015	2014
	Baht	Baht
Fair value hierarchy		
Land - Prachuap Khiri Khan Province (level 2)	25,500,000	20,400,000
Land and building - Kanchanaburi Province (level 2)	-	-
Total fair value	25,500,000	20,400,000

Valuation techniques used to derive Level 2 fair value

Level 2 fair value of the Group's investment properties was appraised by independent professional qualified valuer who holds a recognised relevant professional qualification and has experience in the location and categories of the investment properties valued. Fair value of land at Prachuap Khiri Khan Province valued by applying market approach and fair value of land and building at Kanchanaburi Province valued by applying cost approach. Under both approaches, sales prices of comparable properties in the close proximity are adjusted for differences in key attributes such as width of land and beachfront area. The most significant input into this valuation approach is price per square wah.

15 Property, plant, and equipment, net

	Consolidated								
	Land	Production equipment	Computer	Furniture fixtures and office equipment	Motor vehicles	Office building, studio building and improvement	Leasehold studio building improvement	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
At 1 January 2014									
Cost	-	25,523,785	27,174,164	49,407,854	15,563,539	116,988,233	14,286,705	550,000	249,494,280
<u>Less</u> Accumulated depreciation	-	(23,340,215)	(21,794,669)	(45,778,707)	(4,767,490)	(50,069,746)	(10,981,904)	-	(156,732,731)
Allowance for impairment	-	(19,240)	(67,546)	(1,123)	-	-	-	-	(87,909)
Net book value	-	2,164,330	5,311,949	3,628,024	10,796,049	66,918,487	3,304,801	550,000	92,673,640
For the year ended 31 December 2014									
Opening net book value	-	2,164,330	5,311,949	3,628,024	10,796,049	66,918,487	3,304,801	550,000	92,673,640
Additions	460,731,418	1,653,509	2,251,210	2,221,524	773,255	59,773	-	30,155,407	497,846,096
Disposals and write-off, net	-	(19,256)	(79,729)	(1,362)	(8,118)	-	-	-	(108,465)
Reversal of impairment	-	19,240	67,546	1,123	-	-	-	-	87,909
Depreciation (Note 27)	-	(800,167)	(1,982,033)	(1,414,878)	(2,479,551)	(5,784,087)	(759,158)	-	(13,219,874)
Closing net book value	460,731,418	3,017,656	5,568,943	4,434,431	9,081,635	61,194,173	2,545,643	30,705,407	577,279,306
At 31 December 2014									
Cost	460,731,418	26,961,045	27,271,334	49,241,187	13,991,906	117,048,006	14,286,705	30,705,407	740,237,008
<u>Less</u> Accumulated depreciation	-	(23,943,389)	(21,702,391)	(44,806,756)	(4,910,271)	(55,853,833)	(11,741,062)	-	(162,957,702)
Net book value	460,731,418	3,017,656	5,568,943	4,434,431	9,081,635	61,194,173	2,545,643	30,705,407	577,279,306

15 Property, plant, and equipment, net (Cont'd)

	Consolidated								
	Land	Production equipment	Computer	Furniture fixtures and office equipment	Motor vehicles	Office building, studio building and building improvement	Leasehold studio building improvement	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2015									
Opening net book value	460,731,418	3,017,656	5,568,943	4,434,431	9,081,635	61,194,173	2,545,643	30,705,407	577,279,306
Additions	27,064,853	1,308,916	2,029,212	4,269,863	792,991	3,677,245	-	36,648,441	75,791,521
Transfer-in (out)	-	15,652,557	32,000	6,752,295	-	(2,100,000)	2,100,000	(22,436,852)	-
Disposals and write-off, net	-	(2,108)	(7,985)	(17,333)	-	(4,315,199)	(1,314,668)	-	(5,657,293)
Depreciation (Note 27)	-	(3,721,438)	(2,258,990)	(3,009,319)	(2,590,985)	(5,957,434)	(725,817)	-	(18,263,983)
Closing net book value	487,796,271	16,255,583	5,363,180	12,429,937	7,283,641	52,498,785	2,605,158	44,916,996	629,149,551
At 31 December 2015									
Cost	487,796,271	40,564,392	28,331,470	59,194,492	14,784,897	109,911,504	6,052,832	44,916,996	791,552,854
Less Accumulated depreciation	-	(24,308,809)	(22,968,290)	(46,764,555)	(7,501,256)	(57,412,719)	(3,447,674)	-	(162,403,303)
Net book value	487,796,271	16,255,583	5,363,180	12,429,937	7,283,641	52,498,785	2,605,158	44,916,996	629,149,551

15 Property, plant, and equipment, net (Cont'd)

	Company							
	Production equipment	Computer	Furniture fixtures and office equipment	Motor vehicles	Office building, studio building and leasehold building improvement	Leasehold studio building improvement	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
At 1 January 2014								
Cost	23,396,847	12,567,638	32,224,046	11,333,495	94,516,985	15,814,763	550,000	190,403,774
Less Accumulated depreciation	(21,774,183)	(9,791,611)	(30,571,032)	(1,389,206)	(37,666,643)	(10,791,414)	-	(111,984,089)
Net book value	1,622,664	2,776,027	1,653,014	9,944,289	56,850,342	5,023,349	550,000	78,419,685
For the year ended 31 December 2014								
Opening net book value	1,622,664	2,776,027	1,653,014	9,944,289	56,850,342	5,023,349	550,000	78,419,685
Additions	1,391,939	1,035,742	1,109,026	773,024	-	-	11,600,000	15,909,731
Disposals and write-off, net	-	-	(7)	-	-	-	(12,150,000)	(12,150,007)
Depreciation (Note 27)	(593,756)	(1,064,318)	(706,959)	(2,398,958)	(4,725,849)	(736,657)	-	(10,226,497)
Closing net book value	2,420,847	2,747,451	2,055,074	8,318,355	52,124,493	4,286,692	-	71,952,912
At 31 December 2014								
Cost	24,788,786	13,603,380	32,545,482	12,106,519	94,516,985	15,814,763	-	193,375,915
Less Accumulated depreciation	(22,367,939)	(10,855,929)	(30,490,408)	(3,788,164)	(42,392,492)	(11,528,071)	-	(121,423,003)
Net book value	2,420,847	2,747,451	2,055,074	8,318,355	52,124,493	4,286,692	-	71,952,912

15 Property, plant, and equipment, net (Cont'd)

	Company							
	Production equipment	Computer	Furniture fixtures and office equipment	Motor vehicles	Office building, studio building and leasehold building improvement	Leasehold studio building improvement	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2015								
Opening net book value	2,420,847	2,747,451	2,055,074	8,318,355	52,124,493	4,286,692	-	71,952,912
Additions	766,878	964,880	647,696	792,991	558,000	-	-	3,730,445
Disposals and write-off, net	(1,437)	(31)	(26)	-	(4,315,199)	(1,314,668)	-	(5,631,361)
Depreciation (Note 27)	(757,941)	(1,161,087)	(730,673)	(2,506,032)	(4,719,084)	(703,318)	-	(10,578,135)
Closing net book value	2,428,347	2,551,213	1,972,071	6,605,314	43,648,210	2,268,706	-	59,473,861
At 31 December 2015								
Cost	2,203,788	13,750,079	32,469,229	12,899,510	86,361,237	5,480,890	-	173,164,733
Less Accumulated depreciation	(19,775,441)	(11,198,866)	(30,497,158)	(6,294,196)	(42,713,027)	(3,212,184)	-	(113,690,872)
Net book value	2,428,347	2,551,213	1,972,071	6,605,314	43,648,210	2,268,706	-	59,473,861

On 14 October 2014, the Extraordinary General Meeting of Shareholders No. 1/2014 passed a resolution to approve Matching Broadcast Co., Ltd. to purchase of land for development of universal movie shooting project. Accordingly the related acquisition cost of construction in progress amounting to Baht 12,150,000 has been sold to Matching Broadcast Co., Ltd.

15 Property, plant, and equipment, net (Cont'd)

Leased assets included above, where the Group and the Company are lessees under finance lease comprise motor vehicle as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Cost	3,590,000	3,590,000	3,590,000	3,590,000
<u>Less</u> Accumulated depreciation	(1,451,737)	(733,737)	(1,451,737)	(733,737)
Net book amount	2,138,263	2,856,263	2,138,263	2,856,263

During 2015, there was no disposal of assets under finance leased (2014: Baht nil).

16 Assets for rent, net

	Consolidated				
	Production equipment	Supplies for film production	Motor vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht
At 1 January 2014					
Cost	552,975,561	9,835,479	121,228,561	18,289,029	702,328,630
<u>Less</u> Accumulated depreciation	(365,229,043)	(4,979,239)	(81,521,053)	-	(451,729,335)
Net book value	187,746,518	4,856,240	39,707,508	18,289,029	250,599,295
For the year ended 31 December 2014					
Opening net book value	187,746,518	4,856,240	39,707,508	18,289,029	250,599,295
Additions	45,530,940	2,088,566	14,994,947	26,944,089	89,558,542
Transfer in (out)	34,425,688	-	2,031,368	(36,457,056)	-
Disposal and write-off, net	(755,358)	(358,445)	(643,836)	-	(1,757,639)
Depreciation (Note 27)	(38,280,610)	(2,692,834)	(6,618,559)	-	(47,592,003)
Closing net book value	228,667,178	3,893,527	49,471,428	8,776,062	290,808,195
At 31 December 2014					
Cost	631,044,395	7,970,702	134,979,576	8,776,062	782,770,735
<u>Less</u> Accumulated depreciation	(402,377,217)	(4,077,175)	(85,508,148)	-	(491,962,540)
Net book value	228,667,178	3,893,527	49,471,428	8,776,062	290,808,195

16 Assets for rent, net (Cont'd)

	Consolidated				
	Production equipment	Supplies for film production	Motor vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht
For the year ended 31 December 2015					
Opening net book value	228,667,178	3,893,527	49,471,428	8,776,062	290,808,195
Additions	75,419,195	-	19,832,131	12,774,505	108,025,831
Transfer in (out)	15,607,173	-	4,006,197	(19,613,370)	-
Disposal and write-off, net	(18,545,947)	(453)	(191,021)	-	(18,737,421)
Depreciation (Note 27)	(42,442,153)	(2,361,449)	(8,360,840)	-	(53,164,442)
Closing net book value	258,705,446	1,531,625	64,757,895	1,937,197	326,932,163
At 31 December 2015					
Cost	698,160,160	6,365,089	156,666,659	1,937,197	863,129,105
Less Accumulated depreciation	(439,454,714)	(4,833,464)	(91,908,764)	-	(536,196,942)
Net book value	258,705,446	1,531,625	64,757,895	1,937,197	326,932,163

A subsidiary owns assets for rent which is not for long-term lease.

Additions include Baht 19,730,755 (2014: nil) of assets leased under finance leases (where the Group is the lessee).

Leased assets included above, where the Group and the Company are lessees under finance lease comprise production equipment as follows:

	Consolidated	
	2015	2014
	Baht	Baht
Cost	19,730,755	-
Less Accumulated depreciation	(642,248)	-
Net book amount	19,088,507	-

During 2015, there was no disposal of assets under finance leased (2014: nil).

17 Intangible assets, net

	Consolidated		
	Software	Copyright	Total
	Baht	Baht	Baht
At 1 January 2014			
Cost	7,218,845	45,500	7,264,345
<u>Less</u> Accumulated amortisation	(5,958,227)	-	(5,958,227)
Net book value	1,260,618	45,500	1,306,118
For the year ended 31 December 2014			
Opening net book value	1,260,618	45,500	1,306,118
Additions	151,800	-	151,800
Amortisation (Note 27)	(658,978)	-	(658,978)
Closing net book value	753,440	45,500	798,940
At 31 December 2014			
Cost	7,370,645	45,500	7,416,145
<u>Less</u> Accumulated amortisation	(6,617,205)	-	(6,617,205)
Net book value	753,440	45,500	798,940
For the year ended 31 December 2015			
Opening net book value	753,440	45,500	798,940
Additions	335,550	-	335,550
Amortisation (Note 27)	(528,833)	-	(528,833)
Closing net book value	560,157	45,500	605,657
At 31 December 2015			
Cost	7,599,175	45,500	7,644,675
<u>Less</u> Accumulated amortisation	(7,039,018)	-	(7,039,018)
Net book value	560,157	45,500	605,657

Amortisation of Baht 91,760 (2014: Baht 184,534) and Baht 437,073 (2014: Baht 474,444) are included in cost of providing services and administrative expenses, respectively, in the consolidated financial statements.

17 Intangible assets, net (Cont'd)

	Company		
	Software	Copyright	Total
	Baht	Baht	Baht
At 1 January 2014			
Cost	3,296,948	45,500	3,342,448
<u>Less</u> Accumulated amortisation	(3,193,782)	-	(3,193,782)
Net book value	103,166	45,500	148,666
For the year ended 31 December 2014			
Opening net book value	103,166	45,500	148,666
Additions	151,800	-	151,800
Amortisation (Note 27)	(70,318)	-	(70,318)
Closing net book value	184,648	45,500	230,148
At 31 December 2014			
Cost	3,448,748	45,500	3,494,248
<u>Less</u> Accumulated amortisation	(3,264,100)	-	(3,264,100)
Net book value	184,648	45,500	230,148
For the year ended 31 December 2015			
Opening net book value	184,648	45,500	230,148
Additions	257,750	-	257,750
Amortisation (Note 27)	(68,070)	-	(68,070)
Closing net book value	374,328	45,500	419,828
At 31 December 2015			
Cost	3,706,498	45,500	3,751,998
<u>Less</u> Accumulated amortisation	(3,332,170)	-	(3,332,170)
Net book value	374,328	45,500	419,828

Amortisation of Baht 68,070 (2014: Baht 70,318) is included in administrative expenses in the Company financial statements.

18 Deferred income taxes

Deferred income taxes are calculated in full on temporary differences, using the liability method and using a principal tax rate of 20% (2014: 20%). The deferred taxation related to the temporary differences between the carrying amounts and the tax bases of assets and liabilities of the Group are summarised below:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Deferred tax assets:				
Deferred tax asset to be recovered within 12 months	4,123,568	2,642,899	481,783	478,363
Deferred tax asset to be recovered after 12 months	5,449,232	3,759,296	2,073,385	1,132,576
Deferred tax liabilities:				
Deferred tax liabilities to be settled after 12 months	(6,408,850)	(5,406,100)	-	-
Deferred income tax, net	3,163,950	996,095	2,555,168	1,610,939

The gross movement of deferred income tax account is as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Opening net book value	996,095	(2,718,508)	1,610,939	(1,147,520)
Charge to profit or loss (Note 29)	916,274	3,714,603	140,094	2,758,459
Other comprehensive income	1,251,581	-	804,135	-
Closing net book value	3,163,950	996,095	2,555,168	1,610,939

Deferred income tax assets and liabilities are offset when the income taxes related to the same fiscal authority.

Deferred tax assets and deferred tax liabilities in the consolidated financial positions are presented at net amount of assets and liabilities incurred in each subsidiary.

18 Deferred income taxes (Cont'd)

The movements in deferred tax asset and liabilities during the year are as follows:

	Consolidated		
	31 December 2014	Credit (debit) to profit or loss	31 December 2015
	Baht	Baht	Baht
Deferred income tax assets			
Allowance for doubtful account	2,641,552	1,254,054	3,895,606
Employee benefit obligations	3,746,478	1,702,755	5,449,233
Gain on sales of fixed assets within the Group	7,512	(5,963)	1,549
Inventories and work in process	1,347	(1,347)	-
Leased assets under finance lease	5,306	223,954	229,260
	6,402,195	3,173,453	9,575,648
Deferred income tax liabilities			
Inventories and work in process	-	(2,848)	(2,848)
Depreciation	(5,406,100)	(1,002,750)	(6,408,850)
	(5,406,100)	(1,005,598)	(6,411,698)
Deferred income taxes, net	996,095	2,167,855	3,163,950

	Company		
	31 December 2014	Credit (debit) to profit or loss	31 December 2015
	Baht	Baht	Baht
Deferred income tax assets			
Allowance for doubtful account	478,363	(1,886)	476,477
Employee benefit obligations	1,127,270	946,115	2,073,385
Leased assets under finance lease	5,306	-	5,306
	1,610,939	944,229	2,555,168
Deferred income tax liabilities	-	-	-
Deferred income taxes, net	1,610,939	944,229	2,555,168

19 Trade and other payables

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Trade payable				
- Other companies	16,554,508	18,679,887	1,688,888	2,742,501
- Related companies (Note 33.5)	9,630	-	264,430	376,717
Advance received	4,925,277	4,968,574	3,844,964	4,689,287
Other payables	5,097,020	7,842,197	754,716	116,285
Accrued expenses	14,976,335	22,628,766	2,382,511	5,284,935
Trade and other payables	41,562,770	54,119,424	8,935,509	13,209,725

20 Other current liabilities

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Withholding tax deducted at source	3,840,109	4,474,625	1,123,134	1,690,615
Value added tax	10,776,480	10,923,136	2,790,210	2,985,094
Others	2,734,045	2,324,897	931,018	167,670
Other current liabilities	17,350,634	17,722,658	4,844,362	4,843,379

21 Borrowings

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Current				
Bank overdrafts	12,775,741	-	-	-
Current portion of long-term borrowings				
Bank borrowings	19,128,000	18,120,000	-	-
Finance lease liabilities	3,758,056	518,553	569,404	518,553
Total current borrowings	35,661,797	18,638,553	569,404	518,553
Non-current				
Bank borrowings	51,454,000	66,170,000	-	-
Finance lease liabilities	14,971,957	1,821,507	1,252,103	1,821,507
Total non-current borrowings	66,425,957	67,991,507	1,252,103	1,821,507
Total borrowings	102,087,754	86,630,060	1,821,507	2,340,060

21 Borrowings (Cont'd)

The borrowings include secured liabilities (lease and bank borrowings) totalling Baht 70.58 million (2014: Baht 84.29 million). The bank borrowings are guaranteed by the Company and a Director of its subsidiary (Note 32.4). Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

The interest rate exposure on the borrowings of the Group and the Company is as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Borrowings:				
at fixed rates	18,730,013	2,340,060	1,821,507	2,340,060
at floating rates	83,357,741	84,290,000	-	-
Total borrowings	102,087,754	86,630,060	1,821,507	2,340,060

The effective interest rates at the statement of financial position date were as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Bank overdrafts	MOR%	-	-	-
Bank borrowings	MLR%	MLR%	MLR%	MLR%
Financial lease liabilities	6.00%, 6.25% and 9.39%	9.39%	9.39%	9.39%

The carrying amounts and fair values of certain long-term borrowings are as follows:

	Consolidated			
	Carrying amounts		Fair values	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Long-term bank borrowings	70,582,000	84,290,000	62,590,667	72,194,245

The fair value of current borrowings equal their carrying amount, as the impact of discounting is not significant.

21 Borrowings (Cont'd)

Fair value of non-current borrowings are based on discounted cash flows using a discount rate based upon the borrowing rate of 6.50% (2014: 6.75%) and are within level 3 of the fair value hierarchy.

a) Short-term borrowing from financial institution

The movements in short-term borrowing from financial institution can be analysed as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Opening balance	-	-	-	-
Additions during the year	-	32,000,000	-	32,000,000
Repayments during the year	-	(32,000,000)	-	(32,000,000)
Closing balance	-	-	-	-

Short-term borrowing from financial institution is secured by the Company saving account, carry interest at the rates of 5.75% per annum and 5.85% per annum and has maturity on 13 June 2014.

b) Long-term borrowing from financial institution

The movements in long-term borrowing from financial institution can be analysed as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Opening balance	84,290,000	397,000	-	-
Additions during the year	5,000,000	90,000,000	-	-
Repayments during the year	(18,708,000)	(6,107,000)	-	-
Closing balance	70,582,000	84,290,000	-	-
Repayable within 1 year	19,128,000	18,120,000	-	-
Later than 1 year but not later than 5 years	51,454,000	66,170,000	-	-

Long-term borrowing is guaranteed by the Company (Note 32.4) and carry interest at the rate of MLR per annum (2014: MLR per annum).

21 Borrowings (Cont'd)

c) Finance lease liabilities

Finance lease liabilities - minimum lease payments:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Not later than one year	3,905,027	716,376	716,376	716,376
Later than 1 year but not later than 5 years	17,636,504	2,089,430	1,373,053	2,089,430
	21,541,531	2,805,806	2,089,429	2,805,806
<u>Less</u> Future finance charges on finance leases	(2,811,518)	(465,746)	(267,922)	(465,746)
Present value of finance lease liabilities	18,730,013	2,340,060	1,821,507	2,340,060
Representing lease liabilities:				
- Short-term	3,758,056	518,553	569,404	518,553
- Long-term	14,971,957	1,821,507	1,252,103	1,821,507
	18,730,013	2,340,060	1,821,507	2,340,060

The movements in finance lease liabilities can be analysed as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
At 1 January	2,340,060	2,812,302	2,340,060	2,812,302
Addition	19,730,755	-	-	-
Repayments	(3,340,802)	(472,242)	(518,553)	(472,242)
At 31 December	18,730,013	2,340,060	1,821,507	2,340,060

During 2015, a subsidiary entered into sales and leaseback as finance lease arrangements of its production equipment (Note 16). Upon the sales, there is a gain of Baht 1,471,525 which will be recognised over the lease period.

The movement in the deferred income is as follows:

	Consolidated	
	2015	2014
	Baht	Baht
At 1 January	-	-
Deferred income from sales and leaseback	1,471,525	-
<u>Less</u> realised during the year	(144,827)	-
At 31 December	1,326,698	-

22 Employee benefit obligations

Retirement benefits plan

The plans are final salary retirement plans, which provide benefits to members in the form of a guaranteed level of pension payable. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Statement of financial position Retirement benefits	27,946,405	18,580,325	10,366,925	5,636,350
Profit or loss charge included in operating profit for				
Retirement benefits	2,894,569	3,928,267	709,904	2,107,673
Remeasurement for				
Retirement benefits	6,202,011	-	4,020,671	-

The movement in the defined benefit obligation over the year is as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
At 1 January	18,850,325	15,519,802	5,636,350	3,528,677
Current service cost	2,203,407	3,226,032	473,096	1,898,567
Interest expense	691,162	702,235	236,808	209,106
	21,744,894	19,448,069	6,346,254	5,636,350
Remeasurements:				
Loss from change in assumptions				
- mortality rate	310,857	-	154,869	-
- discount rate	2,477,246	-	1,211,622	-
Loss from actual results	3,413,908	-	2,654,180	-
	6,202,011	-	4,020,671	-
Benefit payment	-	(597,744)	-	-
At 31 December	27,946,905	18,850,325	10,366,925	5,636,350

22 Employee benefit obligations (Cont'd)

Retirement benefits plan (Cont'd)

The principal actuarial assumptions used were as follows:

	Consolidated and Company	
	2015	2014
	%	%
Discount rate	2.80	4.20
Inflation rate	3	3
Salary growth rate		
- Aged below 40 years	6	6
- 40 - 55 years	4	4
- Above 55 year	3	3
Voluntary redundancy rate		
- Aged below 30 year	24	24
- 30 - 40 years	14	14
- 40 - 55 years	9	9
- Above 55 years	0	0

Sensitivity analysis for each significant assumption

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	Decrease by 6.60%	Increase by 7.59%
Salary growth rate	1%	Increase by 7.45%	Decrease by 6.62%
Turnover rate	20%	Decrease by 7.16%	Increase by 8.91%
Mortality charge rate	1%	Increase by 0.37%	Decrease by 0.41%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the employee benefit obligations recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

22 Employee benefit obligations (Cont'd)

Retirement benefits plan (Cont'd)

Through its defined benefit retirement benefit plans the group is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields

Decrease in Government bond yields will increase plan liabilities.

Inflation risk

Some of the group pension obligations are linked to inflation, and higher inflation will lead to higher liabilities.

The weighted average time of retirement benefit plan is 12 years.

Expected maturity analysis of undiscounted retirement benefits:

	Consolidated				
	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht	Baht
At 2015					
Retirement benefits	2,989,405	6,092,581	11,204,753	55,278,666	74,565,405
Total	2,989,405	6,092,581	11,204,753	55,278,666	74,565,405

	Company				
	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht	Baht
At 2015					
Retirement benefits	-	-	6,482,920	22,710,901	29,193,821
Total	-	-	6,482,920	22,710,901	29,193,821

23 Share capital and premium on share capital

	Issued and fully paid-up				
	Authorised number of shares	Number of shares	Ordinary shares	Share premium	Total
	Shares	Shares	Baht	Baht	Baht
At 1 January 2014	535,000,000	469,244,974	469,244,974	640,039,105	1,109,284,079
Warrants exercised	-	62,384,877	62,384,877	18,278,739	80,663,616
At 31 December 2014	535,000,000	531,629,851	531,629,851	658,317,844	1,189,947,695
Shares issuance	-	-	-	-	-
At 31 December 2015	535,000,000	531,629,851	531,629,851	658,317,844	1,189,947,695

23 Share capital and premium on share capital (Cont'd)

As at 31 December 2015, the total authorised number of ordinary shares is 535,000,000 shares (2014: 535,000,000 shares) with a par value of Baht 1 per share (2014: Baht 1 per share). The issued and fully paid-up ordinary share is 531,629,851 shares (2014: 531,629,851 shares).

During 2014, 57,659,032 units of warrants have been exercised for a total of capital amounting to Baht 80,663,616 which includes share premium of Baht 18,278,739.

24 Legal reserve

	Consolidated and Company	
	2015	2014
	Baht	Baht
At 1 January	8,309,781	5,012,705
Appropriate during the year	2,348,876	3,297,076
At 31 December	10,658,657	8,309,781

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

25 Other income

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Dividends income	-	-	45,499,755	56,136,046
Gain on fair value adjustment of trading securities	-	14,391,499	-	14,391,499
Interest income from short-term loans to subsidiaries (Note 33.6)	-	-	10,414,273	11,594,319
Management fee income	-	-	1,326,000	1,369,234
Gains on disposals of property and equipment	204,988	497,411	-	34,292
Interest income	4,948,670	2,263,665	3,372,078	958,011
Gains on exchange rate	110,035	135,547	-	-
Others	2,207,693	2,297,949	1,238,801	210,372
	7,471,386	19,586,071	61,850,907	84,693,773

26 Finance costs

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Finance costs:				
Bank borrowings	5,804,918	2,145,426	822	194,479
Borrowing from related party	-	-	-	193,315
Finance lease	557,071	244,133	197,823	244,134
Total	6,361,989	2,389,559	198,645	631,928

27 Expenses by nature

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Depreciation - building and equipment (Note 15)	18,263,983	13,219,874	10,578,135	10,226,497
Depreciation - assets for rent (Note 16)	53,164,442	47,592,003	-	-
Amortisation - intangible assets (Note 17)	528,833	658,978	68,070	70,318
Staff costs	252,910,387	238,787,281	37,728,957	45,450,294
Employee benefit expense	2,792,590	3,830,495	607,925	2,009,901
Director and executive remuneration	46,997,884	47,224,072	35,720,284	35,536,572
Outsourcing service fee	69,490,137	87,898,833	9,261,977	8,900,605
Operating leases	66,394,110	70,289,916	42,106,881	38,635,290
Commission	5,380,352	5,486,008	825,000	959,999

28 Other expense

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Loss from disposal and write off of property and equipment	5,614,108	408,831	5,613,229	-
Loss from dissolution of subsidiaries	-	-	-	5,492,914
Loss from impairment on investment	-	-	13,435,898	-
	5,614,108	408,831	19,049,127	5,492,914

29 Income tax

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Current income tax	7,156,503	14,411,057	-	-
Deferred income tax (Note 18)	(916,274)	(3,714,603)	(140,094)	(2,758,459)
Income tax	6,240,229	10,696,454	(140,094)	(2,758,459)

Tax on the Group's profit before tax differs from the theoretical amount that would arise using the tax rate of 20% (2014: 20%) as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Profit (loss) before income tax	(44,646,410)	40,058,243	(8,244,265)	44,219,061
Tax calculated at a tax rate of 20% (2014: 20%)	(8,929,282)	8,011,649	(1,648,853)	8,843,812
The effect of:				
Joint ventures' results net of tax	1,958,457	1,357,463	-	-
Revenue not subject to tax	-	(28,729,927)	(9,099,951)	(39,790,753)
Expenses not deductible for tax purposes	855,257	857,190	2,907,646	203,071
Expenses that can be double deductible	(74,537)	(187,291)	(26,382)	(117,580)
Tax losses for which no deferred income tax asset was recognised	12,420,178	29,354,773	7,727,446	28,102,991
Others	10,156	32,597	-	-
Income tax	6,240,229	10,696,454	(140,094)	(2,758,459)

30 Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) attributable to shareholders by the weighted average number of paid-up ordinary shares in issue during the year.

For the calculation of the diluted earnings per share, the net profit adjusted for weighted average number of ordinary shares are assumed for conversion of all dilutive potential ordinary shares. During 2015, there is no diluted earnings per share because warrants expired in 2014.

30 Earnings (loss) per share (Cont'd)

The basic earnings per share and the diluted earnings per share are as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Weighted average number of shares (Shares)	531,629,851	505,551,857	531,629,851	505,551,857
Effect of dilutive potential shares (Shares)	-	12,193,383	-	12,193,383
Weighted average number of shares for diluted earnings (Shares)	531,629,851	517,745,240	531,629,851	517,745,240
Net profit (loss) for the period attributable to ordinary shareholders (Baht)	(50,239,134)	29,466,031	(8,104,171)	46,977,520
Basic earnings (loss) per share (Baht)	(0.09)	0.06	(0.02)	0.09
Diluted earnings per share (Baht)	Nil	0.06	Nil	0.09

31 Dividends

Company

At the 2015 Annual General Shareholder's Meeting held on 27 April 2015, it was resolved that dividends in respect of 2014 be paid at Baht 0.055 per share, totalling Baht 29.24 million (2014: Baht 0.10 per share, totalling Baht 47.15 million). The dividends were distributed to shareholders on 21 May 2015.

Subsidiary

At the 2015 Annual General Shareholder's Meeting of Gear Head Co., Ltd. held on 28 April 2015, it was resolved that dividends in respect of 2014 be paid at Baht 35.00 per share, totalling Baht 45.50 million (2014: Baht 36.16 per share, totalling Baht 47.01 million). The dividends were paid on 29 May 2015.

32 Commitments and contingencies

32.1 Letter of guarantee

As at 31 December 2015, there are letters of guarantee issued by a commercial bank in respect of television air time contracts, performance, and electricity usage, on behalf of the Company and subsidiaries totalling Baht 3.56 million (2014: Baht 3.81 million). The Group used their fixed and saving deposits of Baht 3.33 million (2014: Baht 3.64 million) as collateral for those letters of guarantee.

32 Commitments and contingencies (Cont'd)

32.2 Capital commitments

Capital expenditure contracted for at the statement of financial position date but not recognised in the financial statements is as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Property, plant and equipment	492,575,678	-	-	-

32.3 Operating leases - where the Group is the lessee

As at 31 December 2015, the Group has commitment obligations in respect of long-term lease of land and building contracts. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Not later than 1 year	8,501,171	7,109,789	1,604,211	1,789,211
Later than 1 year but not later than 5 years	10,830,947	9,045,408	5,985,263	6,785,263
Later than 5 years	11,700,000	12,474,211	11,700,000	12,474,211
	31,032,118	28,629,408	19,289,474	21,048,685

32.4 Guarantees

The Company has provided guarantees for long-term bank loans in Gear Head Co., Ltd. and Time Lapse Co., Ltd. for a total of Baht 110 million (2014: Baht 110 million) and Baht 4.75 million, respectively (Note 21).

33 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

33 Related party transactions (Cont'd)

The Company is controlled by The BBTV Productions Co., Ltd. (incorporated in Thailand), which owns 44.65% of the Company's shares. The remaining 55.35% of the shares are widely held. The significant investments in subsidiaries is set out in Note 12.

Transactions with the companies and parties under The BBTV Productions Co., Ltd. group are considered related parties transactions. In addition, companies and parties relating to directors and directors' family are also considered related parties.

The following material transactions were carried out with related parties:

33.1 Revenue from sales and services

	Consolidated		Company	
For the years ended 31 December	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Revenues from television programs				
Related company	-	21,090,000	-	21,090,000
Revenues from show/events organising				
Related company	6,975,952	3,771,231	-	-
Revenues from rental of props				
Related company	8,156,598	-	8,156,598	-
Interest income				
Subsidiaries	-	-	10,414,273	11,594,318
Others				
Subsidiaries	-	-	1,726,000	1,369,234

33.2 Cost and service

	Consolidated		Company	
For the years ended 31 December	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Cost of services				
Subsidiaries	-	-	4,625,597	5,321,745
Related companies	32,386,275	27,723,310	32,386,275	27,299,310
	32,386,275	27,723,310	37,011,872	32,621,055
Operating expenses				
Subsidiaries	-	-	17,918	11,306
Related companies	3,116,227	2,649,209	1,993,725	2,516,058
	3,116,227	2,649,209	2,011,643	2,527,364
Interest expense				
Subsidiary	-	-	-	193,315
Building rental				
Director of the company	1,122,395	1,962,395	-	840,000

33 Related party transactions (Cont'd)

33.3 Purchase of asset

	Consolidated		Company	
For the years ended 31 December	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Purchase intangible asset				
Related companies	10,210	-	-	-

33.4 Disposal of construction in progress

	Consolidated		Company	
For the years ended 31 December	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Disposal of construction in progress				
Subsidiaries	-	-	-	(12,150,000)

33.5 Outstanding balances arising from sales/purchases of goods/services

	Consolidated		Company	
As at 31 December	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Deposit				
Related companies	138,000	138,000	-	-
Trade accounts payable (included in Note 19 "Trade and other payables")				
Subsidiaries	-	-	254,800	376,717
Related companies	9,630	-	9,630	-
	9,630	-	264,430	376,717
Accrued expense				
Related companies	258,000	268,000	173,000	159,000

33 Related party transactions (Cont'd)

33.6 Short-term loans to subsidiaries, net

	Consolidated		Company	
For the years ended 31 December	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Subsidiaries				
Beginning balance	-	-	182,387,191	180,350,000
Less Allowance for doubtful	-	-	(14,367,127)	(35,775,989)
Beginning balance, net	-	-	168,020,064	144,574,011
Loans granted during the year	-	-	24,200,000	93,246,000
Interest income (Note 33.1)	-	-	10,414,273	11,594,318
Reversal of allowance for doubtful	-	-	14,367,127	21,408,862
Repayments received during the year	-	-	(59,446,000)	(90,970,000)
Interest received during the year	-	-	(10,605,464)	(11,833,127)
Ending balance, net	-	-	146,950,000	168,020,064

Loans to subsidiaries are in form of promissory notes, carry interest at the rate of 6.00% per annum (2014: 6.00% per annum) and are due at call. Loans are unsecured.

33.7 Short-term borrowing from subsidiary, net

	Consolidated		Company	
For the years ended 31 December	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Subsidiaries				
Beginning balance	-	-	-	-
Addition during the year	-	-	-	4,200,000
Repayment during the year	-	-	-	(4,200,000)
Ending balance	-	-	-	-

Loans from subsidiaries are unsecured and carry interest at the rate of 6.00% per annum and are due at call.

33.8 Directors and executive remuneration

	Consolidated		Company	
For the years ended 31 December	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Short-term benefit				
Directors	46,997,884	47,224,072	35,720,284	35,536,572

General Information

General Information

Company Name	:	Matching Maximize Solution Public Company Limited
Type of Business	:	TV program production, Equipment rental services, Event organizing, Printing business, TV commercials production, and Post production business
Office	:	No. 305/10, Soi Sukhothai 6, Sukhothai Road, Dusit Sub-district, Dusit District, Bangkok 10300
Telephone	:	0-2243-6543-6, 0-2669-4200-9
Fax	:	0-2243-4124, 0-2243-1494
Homepage	:	www.matchinggroup.com
Registered capital		
as of 31 December 2015	:	Baht 535,000,000
Paid-up capital		
as of 31 December 2015	:	Baht 531,629,851

Registrar

Registrar	:	Thailand Securities Depository Co., Ltd.
Office	:	93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand
Telephone	:	0-2009-9000
Fax	:	0-2009-9991
Homepage	:	http://www.set.or.th/tsd

Auditor

Company Name	:	Pricewaterhousecoopers ABAS Co., Ltd.
Office	:	15 th Floor, Bangkok City Building, No. 179/74-80 South Sathorn Rd, Thungmahamek, Sathorn, Bangkok 10120
Telephone	:	0-2286-9999
Fax	:	0-2286-5050
Homepage	:	www.pwc.com

Legal Advisor

Name	:	Siam Premier International Co., Ltd.
Office	:	26 th Floor, Central World, No. 999/9 Rama I Rd, Pathumwan, Bangkok 10330
Telephone	:	0-2646-1888
Fax	:	0-2646-1919
Homepage	:	www.siampremier.co.th



บริษัท แม็ทซ์ซิ่ง แม็ทซ์โซลูชั่น โซลูชั่น จำกัด (มหาชน)
Matching Maximize Solution Public Company Limited